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DEPARTMENT OF OVERSEAS TRADE.

REPORT
ON THE
ECONOMIC AND FINANCIAL
SITUATION
OF
EGYPT.

(Dated June, 1926.)

BY

MR. E. HOMAN MULOCK,

Commercial Secretary, The Residency, Cairo.



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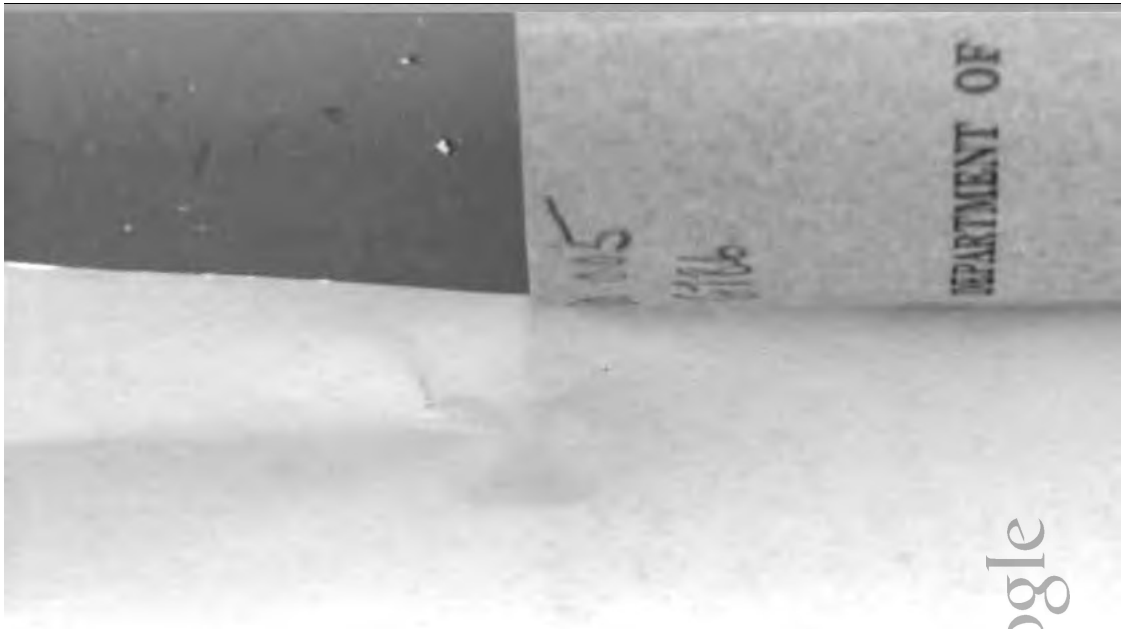
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DEPARTMENT OF OVERSEAS TRADE.

COMMERCIAL REPRESENTATION ABROAD.

To foster British overseas trade the Department has developed and controls the following Services of Commercial Intelligence Officers :—

1. IN THE EMPIRE.

The Trade Commissioner and Imperial Trade Correspondent Services.

At the present time there are 13 Trade Commissioners' officers. These are situated, four in Canada (Montreal, Toronto, Vancouver, Winnipeg) ; two in South Africa (Johannesburg, Cape Town) ; two in Australia (Melbourne, Sydney) ; two in India (Calcutta and Bombay—to cover also Ceylon) ; and one each in New Zealand (Wellington), British East Africa (Nairobi) and British West Indies (Trinidad).

The Trade Commissioners in the Dominions have the assistance of Imperial Trade Correspondents at a number of important centres.

In various parts of the Empire in which at present there are no commissioners, there are correspondents with whom the Department deals direct.

2. IN FOREIGN COUNTRIES.

(a) The Commercial Diplomatic Service attached to the British Diplomatic Missions.

This service consists of between thirty and forty posts in all, and the officers of the service are stationed in all the more important foreign markets of the world. The members of the Commercial Diplomatic Service are styled " Commercial Counsellors " in the highest grade, and " Commercial Secretaries " in the three lower grades. They are members of the staff of the British Embassy or Legation in which they serve.

The Commercial Diplomatic Officer has general supervision over the commercial work of the consular officers in his area, and, with the co-operation of these two services, a complete network of Government commercial representatives is thrown over foreign countries.

The department is represented in Egypt by Mr. E. Homan Mulock, Commercial Secretary, The Residency, Cairo.

(b) The British Consular Service.

This service has been re-organized. Particular attention has been given to the commercial side of consular work.

Members of British firms are urged to call upon the Department's representative abroad when they visit an overseas country. It is also important that they should make a point of their representatives abroad keeping in close touch with the Department's officers.

NOTE.

It should be understood that the views expressed in annual reports are the views of the officers themselves, and are not necessarily in all respects the views of the Department.

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COMMERCIAL SUMMARY.

Area (June, 1926).—About 1,000,000 square kilometres, of which some 32,000 square kilometres are cultivable.

Population.—1917 census, 12,718,255 ; 1924, estimated 13,886,000.

Language.—Arabic. English, French, Greek and Italian are also in common use in commercial circles, and practically all native firms who trade directly with the United Kingdom find means of coping with correspondence in English. Catalogues for reference by Egyptian merchants should be in Arabic, and English.

Monetary Unit.—£E. (Egyptian Pound) = 100 Piastres tariff (P.T.) = 1,000 milliemmes = £1 0s. 6½d. \$ (tallari) = 20 Piastres tariff = 4s. 1½d.

Rate of Exchange.—Pre-war : £stg. = 97½ Piastres (par rate). Current rate (June, 1926), average, 97½ Piastres = £stg.

Index Numbers (March, 1926).—Wholesale Prices : Cairo, 134 ; Alexandria, 131. Retail prices : Cairo, 161 ; Alexandria, 154. Cost of living, 163 (for native clerks, artisans and labourers only).

Principal Weights and Measures.—

(a) 1 cantar	=	100 rotls	=	99·0493 lbs.
1 rotl	=	144 dirhems	=	0·9905 lbs.
1 oke	=	400 „	=	2·75137 lbs.
1 heml	=	200 okes	=	550·74 lbs.
(b) 1 ardeb	=	96 kadahs	=	43·455 gallons or 5·444 bushels.
1 keila	=	8 „	=	3·63 gallons.
1 rob	=	4 „	=	1·815 „
1 kadah	=	⅛ ardeb	=	3·630 pints.
1 feddan	=	24 kirats	=	5024·16 sq. yds. or 1·038 acres.
(a) 1 cantar of unginned cotton			=	315 lbs.
1 „ ginned „			=	100 lbs.
(b) Approximate weight of an “ ardeb ” of various seeds :—				

Wheat, 150 kilos. Barley, 120 kilos. Beans, 155 kilos.

Maize, 140 kilos. Lentils (whole), 157 kilos. Lentils (split), 132 kilos.

Note (1).—

1 bale of steam-pressed cotton	..	..	7·75 cantars.
1 bale of hydraulically-pressed cotton	..	..	8·50 „
1 ardeb of cotton seed	..	..	267 lbs.
8½ ardebs of cotton seed	..	..	1 ton.
3 bales of steam-pressed cotton	..	..	1 ton 85 lbs.

Note (2).—In Egypt, liquids are often bought and sold by weight, and there are no specific Arabic liquid measures.

Total Imports (year 1925).—£E.58,224,895.

Principal Imports (year 1925).—Coal, £E.1,951,712 ; cotton piece goods, £E.9,257,209 ; cotton yarn, £E.497,427 ; flour (wheat chiefly), £E.3,490,771 ; iron and steel (manufactured), £E.2,382,603 ; kerosene, £E.1,056,320 ; manures, £E.2,464,265 ; rice, £E.653,147 ; sacks (empty), £E.636,454 ; silk textiles, £E.992,790 ; soap (household), £E.523,818 ; sugar (raw and refined), £E.1,349,497 ; wheat, £E.734,274 ; wood for building, £E.1,923,669 ; woollen textiles, £E.1,300,151 ; tobacco leaf, £E.1,271,325 ; coffee, £E.782,961 ; dried fruits, £E.547,887 ; tea, £E.488,826.

Imports from (1925) :—

United Kingdom.—Coal, copper and brass goods, cotton piece goods, gold bullion, iron and steel manufactures, machinery, woollen piece goods. (Total for all United Kingdom imports—£E.14,660,664.)

Italy.—Chiefly artificial silk textiles, cotton piece goods, hosiery, linen piece goods, motor vehicles, yarn (cotton and silk), woollen textiles. (Total for all Italian imports—£E.6,129,939.)

France.—Chiefly copper and brass goods, flour, furniture, iron and steel goods, linen goods, machinery, pharmaceutical goods, silk goods, woollen textiles. (Total for all French imports—£E.5,399,682.)

Germany.—Chiefly copper and brass goods, hosiery, iron and steel goods, machinery, manures. (Total for all German imports—£E.3,348,143.)

Belgium.—Chiefly cotton piece goods, glassware, iron and steel goods, manures. (Total for all Belgian imports—£E.2,124,393.)

U.S.A.—Chiefly flour, machinery, motor vehicles, mineral lubricating oils. (Total for all U.S.A. imports—£E.2,116,238.)

Total Exports (domestic, year 1925).—£E.59,198,662.

Principal Exports.—Cigarettes, £E.382,570 ; cotton, raw, £E.51,659,806 ; cottonseed, £E.2,519,609 ; cottonseed cake, £E.2,739,646 ; cottonseed oil, £E.142,717 ; eggs, £E.461,658 ; hides and skins (untanned), £E.153,915 ; onions, £E.913,333 ; rice, £E.479,190 ; sugar, refined, £E.143,039 ; wool, raw, £E.136,483 ; benzine £E.166,311.

Exports to —

United Kingdom.—Chiefly cotton (raw), cottonseed, cottonseed cake and oil, onions. (Total for all exports to United Kingdom—£E.26,167,972.)

France.—Chiefly cotton (raw), silver bullion, onions. (Total for all exports to France, £E.7,461,940.)

Germany.—Chiefly cotton (raw), cottonseed, onions. (Total for all exports to Germany—£E.3,545,752.)

Italy.—Chiefly cotton (raw) and onions. (Total for all exports to Italy—£E.3,613,795.)

U.S.A.—Chiefly cotton (raw), onions and wool. (Total for all exports to U.S.A.—£E.8,411,246.)

Czechoslovakia, Japan, Spain and Switzerland, almost entirely cotton (raw).

Railway Mileage (1925).—Total, 1,609 miles, excluding auxiliary lines.

Mercantile Marine (1925).—Steamships, 27 ; sailing vessels, 205.

REPORT

ON THE

ECONOMIC AND FINANCIAL SITUATION OF EGYPT.

(Dated June, 1926.)

I.—THE ECONOMIC AND FINANCIAL SITUATION.

Foreign Trade.—In spite of the set-back in cotton prices which has characterized the 1925-26 cotton season—so far as that period is covered by this report—the prosperity of Egypt and the flourishing condition of public and general finance, so far from being adversely affected, have been generally enhanced. The decline in cotton prices does not appear to have affected the purchasing power of the country, the strength of which is indicated by an increase in the value of imports, which exceeded the total of the drop in exports by nearly £E.1,000,000. Further, in spite of these conflicting factors, and of a decrease of £E.200,000 in re-exports, the net result is a favourable trade balance of £E.2,243,941, and a total foreign trade of £E.118,693,731.

National Wealth.—The wealth of the country has been increased considerably during the period under review. One favourable factor has been the successful outcome of the campaign of debenture holders against the Suez Canal Company and other industrial concerns similarly situated, regarding the obligation of the latter to pay interest in the Egyptian equivalent on a gold basis of French or Belgian francs, as the case may be. Extensive speculation in the debentures of the companies concerned while the legal issue was still in doubt has also been a contributory cause. Other indications of the wealth of the country are afforded by the building of flats, shops and private houses, which is more intensive and widespread than ever; by the marked increase in the number of motor vehicles, and by the appreciation in the value of stocks and shares, which normally are closely affected by cotton prices.

Budget Surplus.—To turn to State finance, the Reserve Fund has swollen from £E.24,000,000 at the end of the 1924-25 financial year, to an estimated figure of over £E.30,000,000 on March 31st, 1926; the budget surplus thus indicated being accounted for, partly by an excess of actual revenue over estimated receipts of £E.3,868,000, and partly by actual disbursements having fallen short of estimated expenditure to the extent of £E.2,800,000.

Owing to a variety of causes, chief among which are the delay in sanctioning the budget, and the non-initiation or non-completion of new works, the excess of estimated over actual expenditure has averaged £E.3,294,250 during the four financial years ending with that of 1925-26; while the average surplus of normal revenue over normal expenditure over the same period has been £E.5,483,000.

Budget, 1926-27.—The budget for 1926-27 is balanced at £E.41,000,000, actual revenue being estimated at £E.38,163,000; the balance is made up by a draft of £E.2,837,000 from the Reserve Fund, but in view of the foregoing considerations, and of the probability that a considerable economy on the grant of £E.8,048,000 for new works will be effected, it is considered unlikely that the draft from the Reserve will be needed. Delay in sanctioning the budget for the current financial year is inevitable, since it has to be discussed and approved by the newly elected Parliament who met for the first time on June 10th. In view of the possibility of alterations resulting from Parliamentary debates on the expenditure estimates, no useful purpose will be served by quoting therefrom the credits originally proposed for new works which afford possible openings for British trade and industry.

ECONOMIC AND FINANCIAL POLICY OF THE EGYPTIAN GOVERNMENT.

Speaking generally, the attitude towards commerce and industry of the Cabinet which was in power during the period under review was dictated by the desire to encourage and assist Egyptian industries so far as possible, and to invoke the aid of foreign enterprise for development schemes which local firms could not undertake but which would eventually benefit Egypt at large.

(a) Development Schemes.

(1) *Irrigation.*—On June 13th, 1925, the Council of Ministers decided to open a credit of £E.3,000,000 to be divided into four annual instalments for the construction of a dam at Gebel Aulia in the Sudan, and a further credit of £E.2,500,000 for the construction of a barrage at Nag Hamadi in Upper Egypt. Tenders had not, up to the moment of writing, been invited for either undertaking.

(2) *Harbour Improvements.*—In January, 1926, a commission of harbour experts, one British, one French, and one Italian, came to Egypt to study and report on the improvements that could or should be effected in the harbours of Alexandria, Damietta and El Kosseir. The Minister of Communications had not, however, come to any decision on the subject of the Experts' report before the late Cabinet fell, and it is impossible to foresee whether his successor and the newly elected Parliament will reject, or approve of, any or all of the Experts' recommendations, or merely shelve consideration of them until a more convenient season.

(3) *Mercantile Marine*.—As there was no provision in the 1925-26 budget for the creation of a State-aided Mercantile Marine, a special credit of £E.72,000 was opened for this purpose. The condition attaching thereto was that, if negotiations between the Egyptian Government and the Australian Shipping Board for the purchase of two Australian steamers fell through, competition was to be invited by a call for tenders, which duly took place, and, it is understood, met with a widespread response. The object of the purchase of these ships is twofold, primarily educational, *i.e.*, to provide a training school for Egyptian Mercantile Marine officers and crews, and, secondly, to reduce the expenditure on transport of coal supplies for the Egyptian Government.

(b) Commercial Legislation.

(1) *Cotton*.—Draft laws with the object of ensuring proper control and distribution of seed, and of preventing the mixing of different varieties of cotton, occupied the attention of the Egyptian Government during the latter part of the period under review, while the Economic Council, which consists of Europeans and Egyptians, is at present investigating ways and means of modifying the regulations of the Bourse at Alexandria. A welcome feature of these three measures is the collaboration which has taken place between the authorities and the business world, and it is to be hoped that this precedent will, whenever practicable, be followed prior to promulgation of any legislation closely affecting the commercial community.

(2) *Alcohol Content*.—In order to put a stop to the illicit local distillation of alcohol from imported wines of high alcohol strength, the Egyptian Government approached the Powers concerned during 1925 with the object of obtaining their consent to the reduction of the limit of the alcohol content of such wines (for the purpose of the assessment of the specific duty of 200 milliemmes per litre of pure alcohol content) from 23 per cent. to 14 per cent.

(3) *Oil Storage Installations*.—A committee composed of members of the various government departments concerned is, at the moment of writing, engaged upon the compilation of regulations governing the safe storage of petroleum and its products.

(4) *Wireless Law*.—On May 17th, 1926, the government monopoly of wireless telegraphy, created by the Law of 1906, was extended to include wireless telephony by means of a decree prohibiting the use of radio-electric installations and apparatus for emission, reception and broadcasting whether on land, on ships, or on aircraft, except under licence from the Egyptian Government. The text of the law is given in Appendix XIII.

(c) **Assistance to Egyptian Industries.**

(1) *Contract Materials*.—With a view to assisting local manufacturers, the Egyptian Government decided to terminate the system whereby imported goods invoiced to government departments were admitted free of duties. As from April 1st, 1926, the prices quoted by overseas contractors for materials required by the Egyptian Government must be inclusive of customs and paving dues at $8\frac{1}{2}$ per cent. *ad valorem* and of landing charges, etc., amounting to $1\frac{1}{2}$ to $2\frac{1}{2}$ per cent. In cases where contractors quote prices exclusive of duties, the customs administration will debit the department concerned with the dues payable on the goods.

(2) *Cigarette Industry*.—The Egyptian Government decided on March 7th, 1926, to increase from P.T.2 to P.T.20 per kilogram, the difference between the specific duty levied on tobacco imported from countries enjoying a special arrangement with Egypt, and that levied on tobacco coming from other countries. The object of this change (details of which are given in Appendix XII) is to raise the quality of Egyptian cigarettes by discouraging the use of inferior Chinese and Japanese tobaccos, which have of late years been so extensively used in the manufacture of Egyptian cigarettes, owing to their cheapness, and, in the case of Japanese tobacco, to the fact that one kilo produces 50 per cent. more cigarettes than a kilo of Balkan or Turkish tobacco. It is important, in the foregoing connection, to note that one of the conditions of the provisional commercial agreement concluded on April 11th, 1926, between Egypt and Greece, is that Egypt guarantees to Greek tobaccos, for the duration of the agreement, the tariff differentiation at present existing in favour of tobacco imported into Egypt from countries which have special arrangements, and to which therefore the Special Tariff (shown in Appendix XII), is applicable. The countries which at present enjoy the advantages of this Special Tariff are the United Kingdom, Belgium, Bulgaria, France, Greece, Holland, Italy, Norway, Persia, Portugal, Spain, Sweden, Turkey, and the U.S.A.

(3) *Sugar Refining*.—As the result of complaints by the cultivators of sugar cane of the low prices paid to them by the French Sugar Refining Company, and the protests by the latter that competition with imported sugar is impossible unless they can reduce their costs of production, the Egyptian Government has decided in principle that, unless the Egyptian State Railways can see their way to reducing freight rates on sugar exported by the Company, the Customs Administration will waive the export duty, which amounts to $2\frac{1}{4}$ per cent. *ad valorem*.

(4) *Agricultural and Industrial Exhibition*.—Although this was organized by and held under the auspices of the Royal Agricultural Society, the Egyptian Government contributed materially to its success, not only by affording facilities in the form of reduced railway fares to attract visitors, but also through the exhibits

of various Government Departments. (For full details of this Exhibition, see page 27.)

(d) Government Intervention in the Cotton Market.

For the fifth year in succession the Government has entered the cotton market as a purchaser. Operations began on October 31st, 1925, as the result of pressure from the General Agricultural Syndicate, who were alarmed at the decline of the price of Spot Sakel from $\$50\frac{1}{2}$ on September 1st, the opening day of the current season, to $\$42\frac{1}{2}$ on October 25th, the date on which the Government announced its intention of buying spot cotton. By the end of 1925 the Government had bought about 5,000 bales (38,750 cantars) mostly F.G.F. Sakel, but in spite of these operations, the object of which was supposed to be the stabilization of prices, the price had fallen from $\$38\frac{1}{2}$ on October 31st to $\$33\frac{1}{2}$ on December 31st, 1925. On January 13th, 1926, up to which date they had bought about 6,000 bales (46,500 cantars) at an average price of $\$35$ per cantar, they yielded to further pressure by the Syndicate and decided to increase their purchases up to a total of half a million cantars, fixing as their purchase basis a premium of Sakel over American of 75 per cent., and endeavouring to maintain a minimum price of $\$36$ per cantar. By the end of the financial year 1925-26 Government purchases of cotton had totalled 350,496 cantars (45,225 bales), involving an expenditure of £E.2,364,061,* or an average of $\$33\cdot72$ per cantar. Of this total Sakel accounted for all but 1,133 cantars, which consisted of Ashmouni.

Whatever the ultimate result and object of this unproductive and costly holding up of pure Sakel may be, it has failed of its immediate object and sole *raison d'être*, viz., the maintenance of prices. On March 17th, 1926, Spot F.G.F. Sakel touched the lowest price recorded during the current season up to May 31st, viz., $\$28\frac{1}{2}$, since when it has hovered round $\$30$ to $\$32\frac{1}{2}$; while the effect on contracts has been equally depressing. New Crop reached its highest level for the current season, i.e., September 1st, 1925, to May 31st, 1926, on September 17th, when it stood at $\$46\cdot58$. From that point it declined steadily until March 17th, when it touched its lowest level, viz., $\$28\cdot70$, since then hovering round $\$30$.

It should be noted that the financial argument in favour of Government intervention in the cotton market in previous years has been that the Treasury has invariably recouped itself handsomely by subsequent selling on a rising market. It must, however, be borne in mind, when considering the eventualities of the Government's latest experiment that, by the end of the financial year 1925-26 they had already purchased more than the total

*NOTE.—By June 12th total purchases had risen to 404,957 cantars and expenditure to £E.2,792,148. The Government had not by that date acted on their decision of June 4th to purchase 25,000 cantars of Ashmouni at $\$23\cdot56$ which would involve a further £E.117,800.

volume of all the previous four years put together, viz., 246,033 cantars (of which 174,350 were bought in 1921), and had already spent nearly a million more than the total cost of those four years' purchases, viz., £E.1,435,410. During the four cotton seasons 1921/22 to 1924/25 inclusive they made a total profit, by subsequent disposal in small quantities at remunerative prices, of £E.500,000; but it is obviously a very much easier matter to dispose, at a profit, of a yearly average of 61,508 cantars, than of a quantity which is already more than five times as large, and which by the end of the season may well prove to be more than eight times as great, and to whose initial cost must be added the recurrent expenditure involved by storage and insurance.

(e) Tribute Loans.

Immediate effect was given by the Egyptian Government to the judgment of the Mixed Court of Appeal on April 25th, 1926, that the sum of £256,311 9s. 2d., representing arrears of interest of the 4 per cent. loan of 1891, must be paid to Messrs. Rothschild, and the sum of £214,380 8s. 10d. for arrears of interest on the 3½ per cent. Loan of 1894 to the Bank of England for transmission to Messrs. Rothschild.

GENERAL FINANCE.

During the period under review no less than five of the local companies who, being under French or Belgian management, though Egyptian in the eyes of the law, pay the interest on their debentures in francs at the rate of exchange for the time being, were successfully attacked by the debenture holders concerned, with a view to obtaining a judgment that interest must be paid not in paper francs, but in gold, *i.e.*, at the par value, viz., P.T.3·8575 to the franc. The outstanding instances were the final judgments given in the Mixed Court of Appeal on June 4th, 1925, against the Suez Canal Company and the Cairo Electric Railways & Heliopolis Oases Company. On February 15th, 1926, judgment, in the Court of First Instance only, was given against the Chemins de Fer de la Basse Egypte; on April 1st against the Société Anonyme des Tramways d'Alexandrie; on May 10th against the Société Agricole et Industrielle d'Egypte; while cases are down for hearing against the Caisse Hypothécaire d'Egypte, and the Société Anonyme des Tramways du Caire. It is probable that the three judgments in First Instance above-mentioned will be appealed against, but in view of the successful outcome of the proceedings taken against the Suez Canal Company the prospects of the debenture holders concerned are very bright.

As stated earlier in this report, this campaign by the debenture holders against the companies concerned gave rise to widespread and intensive speculation, with the result that the fluctuations in share quotations were considerable. However, the comparative table given in appendix XV shows that there was a general

rise during the year ending May 31st, 1926, in the more important stocks and shares. It must also be observed that the stock and share market was appreciably affected by speculation arising out of the action brought against the Egyptian Government in the matter of the Tribute Loans, as well as out of the rate war between the Cotton Pressing Companies in Alexandria, whose shares have slumped rather badly.

Banking.—The outstanding development in banking circles has been the reopening on May 1st, 1926, of the Cairo branch of the Deutsche Orient Bank, together with the announcement that the Alexandria branch also would shortly be reopened.

The only other change of any importance that has taken place is the absorption of the branches of the Bank of British West Africa by Lloyd's Bank.

The annual rumours of the establishment of an important American bank have not materialized up-to-date; while no date has yet been fixed for the opening of a branch in Alexandria of the Yokohama Specie Bank, which was first announced in the press as being about to take place in April, 1926.

II.—TRADE.

IMPORTS.

A noticeable feature of the increase in imports in 1925, which amounted to nearly £E.7,500,000, is the considerable part played therein by foodstuffs of various kinds. Thus wheat and maize flour accounted for £E.1,176,000 of this increase; wheat for £E.687,000; sugar, raw and refined, £E.396,000, and rice, £E.374,000. The other most notable increases in particular commodities were chemical manures, £E.673,000; gold bullion, £E.500,000; cotton piece goods, £E.458,000; coal, £E.211,000 wood for building, £E.172,000; and cement, £E.169,000.

Appendix I shows that there was an increase in every main category of imports except dyestuffs, etc., and tobacco, and that the bulk of the total increase occurred in cereals, flour and agricultural produce; metals and metal-ware (which includes machinery of all kinds); yarns and textiles; chemical and medicinal products; and wood and coal.

All the supplying countries which figure in Appendix II, except British Possessions in the Mediterranean and in Africa, China, and Russia, contributed in varying degrees to the total increase, which was principally due to the United Kingdom, Australia, British India, Belgium, Chile, Czechoslovakia, France, Germany, Italy, Roumania and U.S.A.

British Trade.—It is satisfactory to note a really substantial increase in imports from Great Britain in 1925, amounting to £E.667,000, and as this result has been achieved in spite of the fact that three of the countries with depreciated currencies are

among the United Kingdom's most formidable rivals, it is to be hoped that the tide has turned at last.

Nearly 75 per cent. of the total imports from the United Kingdom are accounted for by the following:—Cotton piece goods, £E.5,729,000; coal, £E.1,748,000; machinery, £E.1,096,000; iron and steel goods (manufactured), £E.781,000; woollen piece goods, £E.517,000; copper and brass sheets, £E. 245,000; gold bullion, £E.445,860.

The most notable increases, either actual or proportionate, have taken place in ammonium sulphate, anti-friction metals, boots and shoes, coal, cotton hosiery and yarn, electric copper wire, gold and silver bullion, iron and steel goods (miscellaneous), linseed oil, lubricating oils, machine belting, machinery (agricultural, textile, etc.), motor vehicles and vessels, pipes and fittings (wrought iron or steel), power pumps, rail and road locomotives, scientific instruments, spare parts for motor cars and cycles, stationary engines, telegraph and telephone material, tin ingots, bars or slabs, tin plate, wheat flour and woollen yarn.

Empire Trade.—The increase in imports from the United Kingdom contributed appreciably to the rise of nearly £2,750,000 in the share of the British Empire, for which, as Appendix II will show, British India and Australasia were also largely responsible. In the case of the latter, wheat and wheat flour were the principal contributory causes, while in the case of British India, rice must be added to the two above-mentioned commodities as the chief factors in the total increase. Imports from British India increased by about 67 per cent., and consisted for the most part of empty sacks and bags, £E.621,000; rice, £E.508,000; wheat, £E.405,000; wheat flour, £E.311,000; cotton yarn, £E.226,000; and tea, £E.114,000.

Imports from Australia increased by about 50 per cent. and attained a total value of £E.2,440,000, of which wheat flour accounted for no less than £E.2,035,000, and wheat £E.323,000.

The principal items of the total imports from Other British Possessions in the Far East consist of tea, £E.264,000, and coconut oil, £E.144,000, from Ceylon; mineral lubricating oils and greases, £E.22,000, from British Borneo, and £E.35,000 from Straits Settlements; and £E.31,000 worth of pepper from the last-named. It is satisfactory to note that the import of mineral lubricating oils in 1925 from British Borneo is four times as great as that of 1924, while supplies from Straits Settlements have more than trebled.

Imports from the British West Indies, which consisted of bitumen from Trinidad, increased slightly in volume and value to 5,487 metric tons worth £E.39,832.

Competition.—The extent to which foreign competition in most of the imports which particularly interest British trades has emanated in 1925 from countries enjoying the advantage of depreciated currencies, may be gauged from the remarks on pp. 15–26 dealing with various classes of imports. These should be read in conjunction with the statistical Appendices at the end of this report.

To obtain an idea of the general trend of British trade and foreign competition in 1924 and 1925, Appendix XIV should be consulted in conjunction with Appendix IV to the report for 1924. It will be seen that in most of the articles and commodities which figure in both Appendices (between which there is very little difference in the selection of imports dealt with), the chief competitor is the same in 1924 and 1925, and, in the majority of cases, is a country with a depreciated currency.

A further method of comparison, which is of particular interest, in view of the fact that the total imports in 1925 were more than double those of 1913, is afforded by the following table, which compares on a percentage basis the shares in each of these two years of the United Kingdom, the rest of the Empire, and the United Kingdom's five principal competitors.

				1913.	1925.
Total imports				£E.27,865,195	£E.58,224,895
				Per cent.	Per cent.
United Kingdom				30·49	25·18
Rest of Empire*				7·12	11·37
British Empire total				37·61	36·55
Belgium				4·23	3·65
France				9·02	9·27
Germany				5·77	5·75
Italy				5·29	10·53
U.S.A.				1·88	3·63
Other countries.. .. .				36·20	30·62
				<hr/> 100·00 <hr/>	<hr/> 100·00 <hr/>

* Excludes Canada, Trinidad and Mesopotamia for 1913, the imports from which in 1925 amounted to £E.48,393, £E.40,017 and £E.57,205, respectively.

Boots and Shoes.—The imports of footwear wholly or mainly made of leather increased from 401,601 pairs in 1924 to 466,134 pairs in 1925, but prices showed a tendency to decline during 1925, partly as a result of liquidation of old stocks, and partly owing to cut prices asked by Continental firms, often accompanied by extended credits. Out of a total import from all countries of 466,134 pairs, valued at £E.210,356, the United Kingdom supplied 165,697 pairs, worth £E.71,539, or about double the quantity delivered by France, her nearest competitor. The latter's share was, however, high in value in proportion to her supplies, mostly as a result of comparatively high prices asked for ladies' footwear. Italian competition increased steadily throughout the year, and to a lesser extent Swiss and Czechslovakian also. German and Austrian competition, on the other hand, weakened considerably. The volume and value of the total imports from all countries increased by 64,513 pairs and £E.30,264 respectively, and it is satisfactory to be able to record that, apart from the material increase in United Kingdom supplies of men's footwear, British manufacturers have also gained a position in the trade for women's wear.

Cement.—The imports of cement increased from 124,000 tons in 1924 to 191,000 in 1925. The proportionate increase of German cement in particular, and in a lesser degree of the Belgian and French products, are very much greater than the increase in British imports, appreciable though this is. Jugo-Slavia retained the premier position with roughly 40 per cent. of the total trade. In spite of the fact that locally produced cement has been used a great deal in building operations, which have continued to increase during the year under review, such large quantities will be

required for the many new works projected for the immediate and near future that there is no reason to anticipate any falling away in imports of cement. The extent of the demand in 1925 is indicated by the fact that prices kept high, rising to as much as P.T.224 per ton, as compared with P.T.209 in 1924.

Sanitary Earthenware.—Increased building activity was also mainly responsible for the increase in the import of earthenware pipes and sanitary earthenware, of which the total value amounted to £E.66,390. The United Kingdom's share was £E.43,567, and that of France, her nearest competitor, £E.7,235.

China, Glassware, etc.—Continental manufacturers, chiefly Belgian, Austrian, Czechoslovakian and German, swept the market for chinaware, porcelain and earthenware, and also glassware of all descriptions, owing to their very low quotations compared with those for superior articles of United Kingdom origin.

As the total value of imports of glass goods during 1925 reached the respectable total of £E.484,863, it is to be hoped that British manufacturers will watch the market closely this year, and make the most of any opportunity afforded by an upward tendency in prices, since in many lines of glassware there is always a preference for the British article provided that prices are competitive.

Chemical Manures and Chemicals.—German and Dutch competition in the Egyptian market for ammonium sulphate has encroached appreciably upon British trade in this commodity, since out of a total import amounting to 9,565 metric tons, valued at £E.121,220, 5,512 metric tons, valued at £E.69,307, came from Germany and Holland, the remainder being supplied by the United Kingdom. In view of the steadily increasing market for ammonium sulphate, it is to be hoped that United Kingdom producers will make every effort to recover the bulk of the trade.

The market for nitrate of lime is almost entirely in the hands of Norwegian suppliers, while Holland and Belgium are respectively the most important suppliers of superphosphates, the total import of which amounted to 55,803 metric tons, valued at £E.201,357.

The trade in nitrate of soda is almost entirely dependent for supplies upon Chile, that country's quota amounting to 167,196 metric tons, valued at £E.1,850,886, out of a total import from all sources of 173,764 metric tons, valued at £E.1,929,975. As in the case of all chemical manures, there was an appreciable increase in consumption compared with 1924.

France was the main source of supply of hydrochloric tartaric, and citric acids, hyposulphite of soda and litharge. Holland furnished most of the sulphuric acid, and Belgium provided the largest share of caustic soda, soda crystals and soda ash. The United Kingdom maintained her position as the chief supplier of carbolic acid, bicarbonate of soda, carbonate of ammonia, sal ammoniac and prepared disinfectants.

While Germany, France, Belgium and Holland have been the strongest competitors in the supply of all kinds of chemicals, leads and zinc oxide, it is, nevertheless, a matter for some satisfaction that the United Kingdom has been able to make any headway at all in the face of cut-throat prices asked by the majority of Continental rivals.

Coal.—It will be seen from Appendix V that the volume and value of imports of coal in 1925 increased by 272,085 tons and £E.213,080, while the United Kingdom's share of the trade increased by 222,816 tons and £E.138,923. It must, however, be borne in mind, when considering these increases, that the Egyptian State Railways, and probably private industrial concerns also, anticipated the coal strike in the United Kingdom by purchasing ahead of their actual requirements.

Imports during 1925 of German coal (Westphalian) for ships' bunkers at Port Said amounted to 55,090 tons, which, being in transit, do not figure among the imports.

Flour.—Increased sales of wheat flour during the year accounted for an increase in imports of this commodity of 36,500 tons in volume and £1,130,000 in value. Appendix V shows that Australia, British India, the U.S.A., France and the United Kingdom were the main contributors to this increase, while, on the other hand, Italian, and particularly Roumanian, deliveries declined.

The opening of the year 1925 found the local flour market at Alexandria in a growing state of excitement, and January prices stood at about £19. During February prices for Australian flour were as high as £24; then the Chicago Wheat Exchange, the fluctuations of which had been blindly followed by local operators, showed signs of a coming decline, and prices began a steady downward movement, reaching £16 10s. in July. Here the market recovered and, following the upward trend of prices in Australia, advanced gradually, fluctuating in the neighbourhood of £18 10s. towards the end of the year.

The result of the year's activity is that the number of merchants operating in flour is now very limited, and the speculative element has entirely disappeared. The amount of business done on the rising market at the beginning of the year was enormous, and as most of the contracts for forward shipments were in the hands of outsiders and weak holders generally, who were unable to take up their consignments on arrival, the importers themselves were compelled to stand very heavy losses. During the second half of the year Australian flour was dealt with on a very sound basis, with no fluctuations of any great importance, and although the amount of business done was comparatively small, the market offered far more security than at the beginning of the year, since operations were confined to importers, actual consumers and distributors.

Iron and Steel Goods.—The United Kingdom's share of the trade in heavy iron and steel goods fell away on the whole during 1925, but too pessimistic a view of actual conditions should not be taken, since, although deliveries were lower than during 1924, orders obtained from the Egyptian Government for important supplies of railway requirements, the greater part of which are not included in the statistics shown in Appendix IV, were much more satisfactory than in 1924.

For example, although the Appendix in question shows that Germany and Belgium supplied considerably greater quantities of rails, sleepers and fittings than the United Kingdom, these deliveries were mostly the result of Egyptian State Railway orders obtained in 1924, together with a certain quantity supplied to local light railways; the more important contracts secured by well-known United Kingdom firms in spite of strong foreign competition are really more indicative of the trade in 1925. The same cannot, however, be said in regard to the trade in wheels and springs, or indeed of pipes, fittings and wire, in which Germany, France and Belgium have been the most successful owing to the very low prices offered. Belgium has made steady progress in the supply of galvanised sheets, hoops and strips, angles and tees, non-galvanised sheets and plates, while France's share in the trade in bars and billets, girders and joists, and constructional steel (though partly at the expense of Belgium), and the increase in her imports of pipes and fittings, rails, sleepers and fittings, non-galvanised sheets and plates, and wire, give some indication of the strength and source of foreign competition.

In spite of great difficulties, however, United Kingdom firms more than maintained during 1925 their reputation for superiority of material and workmanship and for greater rapidity of delivery, and the success that attended their efforts augurs well for the future, provided that no abnormal circumstances, whether political or industrial, interfere with fair trade.

The increase in imports from France of constructional steel was presumably due to the delivery of bridge work to the order of the Egyptian Government. The market for light constructional iron and steel decreased on the whole, but one local contractor alone obtained orders from the Egyptian Government for the supply and erection of no less than 14 canal

bridges, all of small dimensions. The prices asked were very low, and most of the material supplied is of German manufacture.

Foreign preponderance in the supply of lighter bridging material was to some extent offset by the order obtained towards the end of 1925 by a well-known United Kingdom firm from the Egyptian State Railways for the erection and construction of a railway bridge, which alone is valued at some £E.139,000, and by smaller orders for bridging material secured by other British firms from the same administration.

As usual builders turned to Belgium, France, and to a lesser extent Germany and Italy, for their steel requirements. The United Kingdom's share of this trade is insignificant, but while a decided fall in prices accounted largely for this, it must always be borne in mind that the building trade is almost entirely in the hands of Continental and native firms who respectively prefer Continental and the cheapest material.

Although one particular French firm, who have worked successfully in Egypt for many years, secured the majority of Egyptian Government contracts for the supply and laying of drainage pipes, the United Kingdom's share in the cast iron pipes and fittings trade during 1925 was considerably larger than in 1924, her increase being mostly due to orders for piping of smaller dimensions than those required for the main drainage systems.

French prices were very low, with the result that the largest volume of trade was done by that country, but the actual value of French imports was very little more than that of the United Kingdom, viz., £E.61,286, as compared with £E.60,301, out of a total value of £E.138,626. The total import from all countries amounted to 12,712 tons, of which France furnished over 50 per cent. and the United Kingdom 40 per cent.

As the drainage system throughout the country is being steadily increased, considerable government orders may be expected during 1926.

United Kingdom supplies of other manufactures of cast iron also increased satisfactorily, accounting for over 40 per cent. of the total trade, which amounted to £E.51,164.

Belgian competition in the supply of pig iron is a marked feature in 1925, about 50 per cent. of the total trade, which amounted to 5,021 tons, having been secured by Belgium, representing incidentally a fourfold increase over 1924. The share of the United Kingdom amounted to only 25 per cent., although she was by far the most important supplier in 1924.

The United Kingdom maintained her position as the chief supplier of such articles as tinplate, tinplate hollow-ware, studs for cotton bale hoops, tinplate for petroleum tins, and other tinplate manufactured or unmanufactured, safes, sewing machines, pig lead, tin ingots, bars or slabs. Foreign competition was particularly keen in such trades as enamelled and japanned iron and steel hollow-ware, nails and screws, industrial implements and tools, iron or steel wire, netting or gauze, tool steel, cutlery and table-ware, needles, pins, hooks and eyes, locks and fittings, door and window fittings, etc. Germany and France are the most important sources of supply of most of these commodities, except nails and screws, of which Belgium is the principal supplier. The United Kingdom comes next to France as the chief supplier of tool steel, and remains in the third place in the market for cutlery and table-ware, door and window locks and fittings, and other locks and fittings.

As the total values of the above imports, excluding those in which the United Kingdom remains predominant, amounted in 1925 to some £E.493,385, opportunities for an appreciable increase in British trade are offered by the commodities in question.

The decrease, as shown in Appendix IV, in the value of bedsteads imported into Egypt was partly due to a fall in prices, but a decline in Egyptian government orders for bedsteads was also an important factor in the decrease in trade in the superior qualities. The United Kingdom continued to supply some 60 per cent. of Egypt's requirements with Germany the only serious competitor, mostly in the cheaper lines.

There is a restricted market in Egypt for decorative ironmongery, especially for the simple varieties such as those used in large buildings and public establishments. At present the market for these goods is practically entirely in the hands of a few French firms, one alone furnishing about 50 per cent. of Egypt's requirements in the superior lines. German ironmongery, though very much cheaper than the French products, finds a market only among lower class dwellings.

In view of the fact that French supremacy in this trade has never been seriously challenged by British manufacturers, who appear to be almost unknown in Egypt, undoubted openings exist for British trade in these lines.

Machinery.—The improvement in the engineering business in 1925 as compared with 1924 was, in spite of a certain restriction in out-payments, considerable.

The proportion of imports of machinery supplied by the United Kingdom (other than material for the Egyptian State Railways, motor cars and tractors) remained almost constant during the two years under review, averaging about 43 per cent. of the total trade.

The increases in total imports, and also in the United Kingdom's share, are most marked in machinery used for agricultural and irrigation purposes.

For electrical and industrial machinery the sources of supply are more numerous, and the share of the United Kingdom of the total trade was consequently less, being only about 18 per cent. of the electrical and 33 per cent. of the industrial plant. Out of the total value of imports from all countries of electrical machinery and parts amounting to £E.165,354, the United Kingdom's share stood at £E.30,526, whereas that of France, the largest supplier, amounted to £E.51,824, while those of Germany, Holland, and Italy were £E.28,628, £E.15,724 and £E.12,256 respectively.

Egyptian Government contracts for electric power installations were more evenly distributed than in 1924, and British firms were successful in obtaining some fairly important contracts. Although a Swiss firm secured an important order for power equipment for one provincial town, the three large alternators supplied were of British manufacture, while a well-known British firm was successful in obtaining an order for the supply of an electric power installation elsewhere in the provinces. French firms were the most successful in obtaining municipal orders for power distribution, as their prices were very low.

Apart from the Egyptian government orders for railway material secured by United Kingdom firms, to which reference has already been made, several equally important contracts for other government departments were secured by British firms in spite of strong foreign competition. Among the most important of these was the contract for the supply of pumping machinery for use in connection with the main drainage of Cairo. The plant is to consist of three main pumping units, each of 550 h.p., and one smaller unit of 330 h.p. The pumps of centrifugal type will be driven by Diesel engines, and the contract includes the supply of 30 kw. electric generating sets, automatic measuring apparatus, and fuel storage and distribution.

Other British firms secured sundry orders from the Egyptian government for the supply of smaller plant of different kinds, ranging from power plant to water installations and filters, and irrigation work.

Foreign competition, particularly Central European, was, however, very strong, German firms being successful in obtaining, at cut-throat prices, an order for a provincial water installation and the first of two contracts for pumping plant, the second being secured by a Hungarian firm. Other government and municipal contracts were secured by Continental firms, in each case solely owing to the low prices asked. German competition in public works contracts for electrical power plant and other electrical gear fell away during 1925. American firms secured orders for tramway equipment, but the majority went to Belgium.

Although United Kingdom imports of stationary internal combustion engines increased appreciably during the year under review, French, German and Swiss competition was increasingly strong. The great bulk of this trade is in low-powered engines, for the most part cold starting horizontal 4-cycle engines of up to 50 h.p., for use in connection with artesian wells in Upper Egypt, and also to a lesser extent vertical 2-cycle engines. The market for high-powered engines is naturally limited to the Egyptian public services and a few large estates, owing to the water control. The usual strength of the medium-powered engines is from 150 to 300 h.p., and a certain number of these are purchased by business firms, such as hotels, industrial concerns, etc.

The total import of stationary internal combustion engines in 1925 amounted to 2,656, valued at £E.649,675, of which the United Kingdom furnished 1,757, of a value of £E. 371,488. Her nearest competitors, as in 1924, were Switzerland, with 234 valued at £E.135,257, and Germany, with 574, worth £E.122,589. Belgium and Austria have now entered this market, but so far their sales have not been very important. French supplies remained more or less constant, but Italian competition declined somewhat.

The United Kingdom still predominated in the supply of power pumps, and again doubled her trade, but France, Germany and Switzerland also competed strongly. American competition weakened considerably, and a few sales were made by Austrian and Italian firms. The total import amounted to 3,981 pumps, valued at £E.111,136, of which the United Kingdom's share stood at 1,809, worth £E.52,196; that of France 502, valued at £E.20,821; Germany 967, valued at £E.16,728; and Switzerland 300, worth £E.13,897. The U.S.A. supplied 163 (mostly small pumps), valued at £E.2,733.

The total import of hand pumps more than doubled in volume during 1925, amounting in all to 24,615, valued at £E.19,101. The U.S.A. and Germany were by far the largest suppliers, obtaining between them over 80 per cent. of the trade.

There has been some increase in the import of textile machinery during 1925, the United Kingdom supplying the largest proportion, valued at £E.6,612, out of a total import of £E.8,020. The share of the United Kingdom was almost as great as the total import of the previous year, but as the demand is mostly confined to Egyptian government orders and to one or two local concerns, the openings for the sale of such machinery are very restricted. The Prisons Department's budget for 1926-27 includes, however, a credit of £E.15,000 for the purchase of cotton spinning machinery.

The United Kingdom's share in the import into Egypt of miscellaneous machinery and parts increased by £E.46,439, amounting to £E.256,177 in 1925. The value of the total import from all countries under this heading amounted to £E.785,276, as against £E.564,390 in 1924, thanks chiefly to an increase in the share of France, from £E.98,168 to £E.209,495, the latter figure representing almost exactly the British share in 1924.

Motor Cars.—Total imports of motor vehicles and chassis increased from 2,968, worth £E.481,404, in 1924, to 5,491, valued at £E.764,423 in 1925. The U.S.A. retained pride of place with a total import of £E.299,744, but Italy was a very good second with £E.220,485, France coming third with £E.154,171. Although the value and volume of British trade in motor vehicles, viz., 302, worth £E.73,618, in 1925 was more than double that of 1924, the fact that the British proportion of the total volume has only risen from about 5 to 5½ per cent., and of the total value from about 6½ to less than 10 per cent., shows that there is considerable leeway to be made up before United Kingdom manufacturers can hope to compete successfully with the powerful organizations of the U.S.A. and the Continent.

An indication of America's determination to consolidate her already strong position in the Egyptian motor market is shown by the recent decision of two of her largest companies to establish assembling and distributing depots at Alexandria.

A glance at the statistics shown in Appendix XI recording the number of motor vehicles registered in Egypt up to the end of March, 1926, gives some idea of the extent of motor traffic, and it is interesting to note that, apart from the normal market for cars, which is always developing, the building and industrial activity of recent years is increasing the potentialities of the market for lorries and tractors. At present, American tractors with trailer wagons are being utilised for hauling building materials, and British manufacturers might well study the question of the tractor market. Out of a total import of tractors amounting to 780, valued at £E.80,913, the U.S.A. furnished 752, worth £E.75,945, while the United Kingdom failed to supply a single one.

It may be said that no rival foreign cars in Egypt have had such splendid records of endurance and reliability to their credit as the British cars, whose remarkable performances in difficult circumstances are described in the section on Transport and Communications (page 30). Such performances as these should undoubtedly appeal to discriminating motor buyers.

British cars of medium power have not, as yet, made much headway, but in competition with foreign light cars British penetration is quite noticeable.

Car imports from Germany increased during 1925, but it would seem that a fairly large proportion of them are still in stock. Imports from Belgium fell away during the year under review.

The handsome high-powered British cars imported during 1925 were almost all purchased in the United Kingdom by visitors from Egypt, and the same applies to the most expensive Continental makes purchased in France and Italy by local residents during their annual holidays.

Although a modest increase has taken place in the import of British cars and lorries, it is none the less rather unsatisfactory that foreign makes of cars, which are by no means superior in quality and efficiency to their British rivals, should sell with apparently little effort to buyers of all nationalities, whereas the majority of British cars are purchased by the British community. However patriotic this community may be, they constitute, both numerically and financially, a limited market, and it is therefore the opening afforded by the other communities that requires to be developed by the United Kingdom manufacturer. To accomplish this he must revise his selling organizations, service dépôts, etc., and fall into line with his successful foreign competitors. Showrooms require to be opened in prominent thoroughfares, (on the lines of the local establishments maintained or subsidised by American and Continental manufacturers), and, at least, a good proportion of the capital expenditure involved by the adaptation and equipment of suitable premises for this purpose should be borne by the British manufacturer, instead of leaving it all to the local agent. As a rule no fault is to be found with most of the British agents in Egypt; but they cannot be expected to compete successfully with strongly established and well supported foreign interests unless they are given some material assistance by their principals. In spite of some dissatisfaction at the low prices of cotton during the 1925-26 season, there is plenty of money in circulation, and, given sufficient enterprise, intensive advertising, and adequate support of their agents, etc., British manufacturers should be able to obtain a larger share of this trade than they at present enjoy.

Up to the present time the taxi-cab organizations in Cairo and Alexandria have used mostly Italian, and to a lesser extent, French, cars; there are a few privately owned large British touring cars which are used for tourist services, but these are all old models.

The majority of motor omnibuses used in Cairo and Alexandria are considered by most Europeans to be a disgrace to such large cities. They mostly consist of unwieldy bodies on Ford chassis, which, although quite useful on the rough provincial roads, are hardly suitable for city work; and

a few of them are converted cars formerly used for military purposes. Some of the recent additions are more up-to-date, but they are much inferior to the large English models specially designed for this particular class of traffic.

Motor Cycles.—Total imports from all countries amounted to 265 valued at £E.12,814, as compared with 262 worth £E.15,483 in 1924; the British share being 159 valued at £E.8,042 as against 179 worth £E.11,263 in 1924.

A number of French and German light-weight machines appeared on the market during the year, but sales appear to have been limited.

Bicycles.—Imports of bicycles decreased from 3,697 valued at £E.17,761 in 1924, to 2,061 worth £E.9,294 in 1925. France has wrested the premier position from the United Kingdom, although her imports decreased from 992 to 981, while British imports fell from 1245 to 711. German imports, however, declined on a much larger scale, viz., from 1008 in 1924 to only 120 in 1925. Italian trade remained constant, 217 machines being imported during the year valued at £E.1,373, as compared with 216 in 1924 worth £E.1,429.

Motor Vessels.—Imports of motor vessels increased by 13 in number and £E.4,754 in value, the total imports amounting to 29 valued at £E.15,482, of which the British share stood at 10 worth £E.3,937, representing an increase of 8 in number and £E.3,337 in value. France and Italy were her nearest competitors in point of numbers, the value in each case being about the same as that of British imports.

In spite of strong competition, well-known British firms were successful in obtaining orders from the Egyptian government for two high-powered coastal vessels, and also for a most up-to-date and luxurious river yacht to the order of His Majesty the King of Egypt.

Rubber Tyres.—France maintained her position as the most important supplier to the Egyptian market of rubber tyres, with a 92 per cent. increase in value over her import during 1924, her share of the trade during the year under review amounting to 45 per cent. of the volume and 50 per cent. of the value. The total import from all countries amounted to a value of £E.174,721 compared with £E.100,524 in 1924, of which the United Kingdom's quota in 1925 amounted to £E.24,102, representing an increase of about £E.3,695 in spite of a decrease in volume. The U.S.A. and Belgium came next with £E.18,000 each, while Italian and German imports amounted to £E.13,000 each. In the case of Belgium and the U.S.A., these figures represent a twofold increase over 1924, while Italy and Germany have increased their 1924 totals by 70 per cent.

The import figures, however, cannot be accepted as an exact indication of business done, as heavy stocks in hand have been liquidated during the year and renewal orders are now being given.

The Egyptian government purchased cheap tyres to a considerable extent during the year, and there is reason to believe that these inferior qualities may prove their inability to compete with first class goods as an economic proposition. Certain tyres of foreign manufacture have been sold at excessive discounts in order to secure a footing in this market.

Present arrangements made by the leading United Kingdom manufacturers promise well for a larger British share in the local market, as purchasers are gradually realising the cash value of good quality.

The one local firm manufacturing rubber articles competed successfully with imported goods in several lines and, among others, obtained orders from the Egyptian State Railways for solid rubber tyres for platform trolleys.

Soap.—Imports of household soap from all sources during 1925 amounted to 12,157 tons of a gross value of £E.523,818, representing an increase over 1924 of 1,380 tons, and £E.67,273. While the United Kingdom and French shares of this trade fell respectively to 2,244 tons worth

£E.92,697 and 2,073 tons valued at £E.70,386, that of Palestine increased so considerably, mostly through imports of Nabulsi soap, that her totals of 5,659 tons and £E.276,059 are responsible for the bulk of the increase in the total volume and value cited above.

The United Kingdom remained the most important supplier of Egypt's requirements of toilet soaps, during the year under review, and increased her share, which amounted to a value of £E.14,935 out of a total import from all sources of £E.51,282, while imports from all other supplying countries except Denmark and Italy, decreased.

TEXTILES.

Cotton Piece Goods.—Generally speaking the falling off of purchases may be attributed to the depression in cotton prices, which invariably results in increased sales of cheaper Continental goods at the expense of better quality articles of United Kingdom manufacture.

The cotton piece goods trade for the year under review was far from satisfactory. In cases where profits have been made at all, results by no means justify the large amount of capital required to carry on this trade. The year opened on a quiet market, which was hampered during the first few months by heavy rains in the interior. Up to the month of March, 1925, or the period just preceding Ramadan, demand, though regular, was of small volume, and buying was limited to the supply of immediate requirements only. The summer months produced little activity and encashments, as is usual at that season, were poor. In the meantime, on account of satisfactory reports as to the state of the local cotton crop, importers had booked large orders in anticipation of a good season. In September manufacturers began to reduce quotations slightly owing to the lower tendency of American cotton and the reports that were then beginning to be received of a record crop in the U.S.A., and fairly large orders were booked. Encashments, however, continued throughout the past financial year to be extremely difficult.

In spite of home quotations, importers endeavoured to maintain their prices, but with another considerable drop in the price of American cotton during October, substantial cuts were made in the home market, with the result that local importers had no choice but to follow suit. In some cases goods were sold below cost of production in Manchester.

This state of affairs continued, further reductions being made, until the end of the year, with the result that importers found themselves at the beginning of 1926 with heavy stocks in hand, and after taking their goods into stock on about a 25 per cent. lower basis than their purchase prices, merchants able to close their books on the right side were not numerous.

During the latter part of the year goods continued to arrive in increasing quantities which, instead of being consumed, went to swell the already heavy stocks in bond and private stores. There were actually 18,561 and cases in bonded stores at the close of the year, as against only 6,828 at the opening of 1925. Recent hostilities in Syria may also have been responsible for a considerable share of the accumulated stocks, but the main factor which crippled the market was, undoubtedly, the sudden decline in the value of raw cotton. It should be observed that several important failures among importers of Manchester goods took place during the year under review. A number of merchants gave very extended credits, even to October and November, 1926, but in these cases absolutely cut-throat prices were not accepted.

Competition from Italy and other Continental sources was keen, and seemed to establish itself even more firmly during the year, but in November and December competition weakened and, in spite of bad conditions of trade, merchants are now looking more to Manchester than they have done for some considerable time, mostly owing to the low prices ruling for grey cloth. One reason for the weakening of foreign competition was that Continental firms were fairly well booked up with orders and did not reduce prices to the level of Manchester, with the natural result that merchants

turned thither for the original Manchester styles. Foreign competition, however, has not been inactive, as Continental firms have recently returned to the market with goods for next winter season, especially raised-back qualities and flannelettes; but these do not appear to have found their customary ready sale, owing to the fact that a number of importers have again purchased these styles in Manchester. The Italian "Scotch" (woven) which sold so widely during the last three years, is, it is said, declining somewhat in quality, but Italian manufacturers are bringing out new styles of woven goods, frequently mixed with a certain amount of artificial silk, which are fairly cheap and attractive.

It is feared that when Manchester prices begin to rise again, the tide may turn in favour of Continental rivals. Japanese cabots are in as strong a position as ever.* Yarn dyed cotton cloths and trouserings of Italian manufacture sold fairly widely during the year, and at least 50 per cent. of the artificial silk, particularly silk striped and cotton coatings, muslins, etc., of inferior quality came from Italy.

Although stocks in the Egyptian bonded warehouses are considerable, there are still some saleable styles, and it is on these goods that merchants have been able to maintain their prices. Until, however, the heavy stocks in bond and store are considerably reduced, no important revival of purchasing can be looked for.

While the value of imports during 1925 (see Appendix III) was £E.497,477 more than in 1924, the United Kingdom's share decreased by £E.166,494, but those of Italy and Japan increased by £E.349,412 and £E.153,745 respectively. At the same time it should be noted that towards the total increase in quantity of 35,321,737 square metres, the United Kingdom contributed 14,191,213 square metres, as compared with 11,423,119 from Italy and 5,550,317 from Japan.

Cotton Yarns.—The market for cotton yarns during the first six months of 1925 was continuously on the decline in both prices and demand. Imports of Japanese yarns increased; Italian imports declined, while British yarns rose from 186,184 kgs. valued at £E.54,024 in 1924 to 246,419 kgs. valued at £E.64,652 in 1925. British India, however, maintained the premier position with a slightly decreased import as compared with 1924, amounting to 1,744,524 kilogs. valued at £E.225,511, out of a total from all supplying countries of 3,040,047 kilogs. valued at £E.497,427.

Some American yarns have been sold in Egypt during 1925 at remarkably low prices, the principal counts being 2/40 selling at about P.T. 115 per bundle of 10 lbs. The Italians also marketed the same quality at the above price, and the Japanese sell a 2/42 at practically the same price as the American and Italian 2/40. The principal Japanese yarns are Nos. 16 and 20, which are generally composed of mixed Indian and American cotton of inferior quality, and sell at about P.T. 75 and P.T. 78 per bundle of 10 lbs.

Worsted Yarns.—The total import of woollen yarns amounted to 217,805 kgs. valued at £E.81,399 compared with 204,805 kilogs. valued at £E.74,161 in 1924. The lion's share of this trade remained in the hands of British firms, imports from the United Kingdom amounting to 198,192 kilogs. of a value of £E. 73,218, which represents a healthy increase over 1924. France has supplied small quantities and also Austria, Germany, and Italy. No. 2/32 is the principal article imported, and is sold at about P.T. 190 per bundle of 10 lbs. About 70 per cent. of the total trade is confined to this grade. (Detailed information regarding the most popular grades and ruling prices of these yarns may be obtained on application to the Department of Overseas Trade.)

* Samples and market information may be obtained on application to the Department of Overseas Trade.

P.T. = Piastre tariff = 2½d. Particulars regarding qualities and prices of cotton yarns may be obtained on application to the Department of Overseas Trade.

Miscellaneous.—Total imports of hemp rope, cordage and twine, amounted to 1,490 tons valued at £E.125,046 as compared with 1,480 tons valued at £E.104,517 in 1924. In respect of the first two lines, the United Kingdom secured about 42 per cent. of the trade, with Italy, France and Belgium, in the order named, the nearest competitors; but supplies from the United Kingdom of the last named commodity were negligible, Italy, securing over 60 per cent. of the trade, with Belgium her only serious competitor.

Although Egypt remains a very important market for cotton hosiery this trade is to a certain extent challenged by artificial silk hosiery, of which the U.S.A. and Germany are the largest suppliers. The total trade in this type of hosiery increased somewhat in volume during 1925, but the value of imports remained practically stationary, amounting in 1925 to £E.25,838. France still supplies the lion's share of silk hosiery, the total import of which was about the same as that of artificial silk hosiery.

A satisfactory increase in imports from the United Kingdom of cotton handkerchiefs was recorded during 1925, the British share being valued at £E.28,413 out of a total import from all countries of £E.75,387. Italy was the only serious competitor with a total of £E.25,069 which shows a slightly lower proportionate increase than that of the United Kingdom.

Italian competition in ready-made cotton sheets and table cloths was very keen, the increase in Italian supplies being nearly 50 per cent.; imports from Italy amounted to a value of £E.63,830, as against only £E.21,431 and £E.17,611 from France and the United Kingdom respectively. While imports from the two latter countries respectively show a slight decline and a slight increase, it should be noted that Japanese imports valued at £E.11,621 represent an increase of over 130 per cent. in 1925. The total trade amounted to £E.130,003 as compared with £E.103,600 in 1924.

Imports of velvets and plushes increased slightly during 1925, but unfortunately the United Kingdom's advance in 1924 was not maintained, although she still retains an important market for the cheaper lines. Imports from France, though less in quantity, show a marked increase in value. The total import amounted to £E.78,475 compared with £E.75,938 in 1924. France also, as usual, supplied the largest share of ready-made clothing and other articles made of velvet and plush.

The demand for linen goods was not very encouraging during the year under review, thanks partly to the general causes already outlined in this report, and also partly to the substitution of low grade Continental linen and cheap cotton damask for the superior qualities.

It is also claimed locally that United Kingdom manufacturers can rarely be induced to depart from their standard sizes, qualities, finish, etc., in order to meet local requirements. On the other hand, experience has shown that the Egyptian market has always been most exacting, and although enterprise on the part of manufacturers is called for if they desire to retain any hold on this market, the need for caution when they are asked to branch into new styles and incur the added expenses consequent thereon, must always be borne in mind. (Detailed information regarding the market for linen damask may be obtained on application to the D.O.T.)

Silk and Artificial Silk Goods.—The market for such goods remained practically constant. France dominated the market in practically all lines of silk goods with the exception of shawls and handkerchiefs, of which Italy and Japan were the most important suppliers, while China was a keen competitor in the silk cloth trade.

Considerable quantities of artificial silk goods of Italian manufacture, and also to a lesser extent, French and Czechoslovakian, appeared on the market, but so far these goods have not found the wide sale which was originally expected for them owing to the rather high prices asked. The fact that many local merchants of standing have ordered wide ranges of samples appear, however, to foreshadow increased activity in that direction.

There has been a decided increase in the import of mixed textiles, known as silk, the total trade amounting to £E.182,691, or an increase of £E.46,888 over that of 1924. (Details regarding the market for artificial silk and mercerised cotton goods and samples may be obtained on application to the Department of Overseas Trade.)

The total value of neckties imported amounted to £E.58,344, as compared with £E.53,012 in 1924, but the United Kingdom's share fell away, while that of France increased by over 60 per cent., amounting to a value of £E.14,628. Italy, in spite of a slight decrease in value, secured the lion's share of the trade thanks to an increase in volume, with £E.31,809 worth.

Fears have been expressed by local merchants that the silk duties applicable in the United Kingdom must necessarily raise the price of neckties of British origin, with the result that a certain amount of business has been diverted from the United Kingdom, to the advantage of Italy, France and Austria. It would therefore, seem advisable for United Kingdom interests to take steps by means of notices in the local Press, and direct intimation to their agents, to set these fears at rest, since the fact that drawback is obtained for goods destined for export, after being made up, does not seem to have been fully appreciated here.

Woollen Piece Goods.—Although to a certain extent the factors responsible for the unsatisfactory condition of the cotton piece goods market were also applicable to the woollen trade during 1925, the latter suffers from the added disadvantage that, while the principal importing houses of cotton piece goods possess their own buying offices in Manchester and their own distributing centres in Egypt, the manufacturer of woollens is compelled to sell through agents, practically all of whom hold foreign competing agencies.

Up to October the United Kingdom's share in the trade in woollen piece goods was comparatively satisfactory, but from that month up to the time of writing, conditions have become much more difficult. A not unimportant factor in this state of affairs is the fact that French and Belgian firms have taken to quoting in shillings, with the result that, owing to the fall in their currency, they are often able to underquote their British rivals.

In such lines as 16/17 oz. serges, fancy suitings, wool venetians, and brilliantines, United Kingdom firms still hold the market, and it should be observed that, owing to their superior quality, practically all lines of United Kingdom woollens are preferred provided the price is within about 10 per cent. of foreign offers, but in the cheaper lines the Continental quotations are usually so much lower than those of United Kingdom firms, that Italy, France and Belgium secure the largest shares of this trade.

Italian competition was the most severe in most lines of woollens. French supplies did not increase to any extent, but Italy continued her forward movement, and another serious competitor, namely Belgium, has now appeared on the scene. Czechoslovakian and German competition weakened during the year.

French and Italian competition was largely in Botany coatings up to 16 ozs., fancy coatings, and "Imperial" cloth.

The imitation of well-known United Kingdom trade marks on hosiery goods continued in evidence during 1925.

EXPORTS.

The decrease of £E.6,535,273 (see Appendix VII) in exports in 1925 was, in the main, due to the drop in cotton prices, and the slow marketing of the crop during the first four months of the 1925-6 cotton season, which also adversely affected the export of cottonseed. Exports of raw cotton in 1925 (see Appendix IX) decreased in volume by 830,000 cantars and in value by £E.4,900,000, the only countries which increased their purchases

being U.S.A. by 142,000 cantars and Japan by 86,000 cantars. The value of cottonseed exported decreased by £E.1,079,000, of which £E.385,500 was accounted for by diminished exports to Germany and £E.688,000 by reduced exports to the United Kingdom. Cottonseed oil also decreased appreciably, the difference of £E.155,000 less than the export of 1924 being chiefly due to reduced purchases by the United Kingdom. The remainder of the total decrease was accounted for by cane sugar, refined, to the extent of £E.318,000; metallic ores £E.116,000; and eggs £E.105,000. The decrease in eggs was due to restriction of export imposed at very short notice by the Egyptian government during the first three months of 1926, and removed too late (*i.e.*, April) to affect the exporting season.

The only countries figuring in Appendix VIII, exports to which showed an increase were British Possessions in Africa and the Far East, Austria, Japan and U.S.A.

PROMOTION OF TRADE AND INDUSTRY.

Agricultural and Industrial Exhibition.—This Exhibition, the twelfth of its kind, which was held in Cairo from March 1st to April 20th, 1926, was organized by the Royal Agricultural Society under the patronage of His Majesty King Fouad, and was materially assisted in many ways by the Egyptian government.

In addition to facilities in the form of a 60 per cent. rebate granted by the Egyptian State Railways on the transport rates for all machinery and merchandise brought by exhibitors, and 70 per cent. reduction on the fares of all visitors to the Exhibition who came to Cairo by rail, the following Departments were represented by agricultural or industrial exhibits housed in pavilions or stands, *viz.*—Ministry of Agriculture and State Domains; Ministry of Education, *i.e.*, Government Workshops; Industrial and Technical Schools, and Schools of Arts and Crafts; Bureau of Commerce and Industry; Frontier Districts Administration; Government Press; Mechanical Department of the Ministry of Public Works; Prisons Department; Survey Department.

The Royal Agricultural Society's principal exhibit was the Cotton Museum, housed in their own permanent building, a smaller pavilion being used for wheat and maize exhibits.

The Exhibition was divided into two sections, Egyptian and Agricultural Industries. The Egyptian industries section consisted of 170 exhibits and stands, of which 138 represented manufactures of carpets, cigarettes, copperwork, embroidery, food-stuffs, furniture, jewellery, leather, matting, metalwork, mineral waters, perfumery, printing and office equipment, textiles, tiles, and turnery work. The agricultural section included a large area occupied by stands containing exhibits of machinery and implements primarily for agricultural purposes, but including also fire engines and fire fighting appliances, ice-making machines

spray painting apparatus, safes, etc. It was this part of the Exhibition that was naturally of the chief importance and interest to British trade, since it was only there that overseas exhibits could be included.

The machinery section comprised 68 stands. Although only five of them were occupied by local British engineering firms, whose exhibits were either solely or largely of British manufacture, those occupied by seven of the principal non-British engineering firms in Egypt also included a large proportion of British machinery.

The range of agricultural machinery and implements of British manufacture was very extensive, and, whether exhibited in British stands or not, was shown to the best advantage. The British stands in particular were most attractively and harmoniously arranged, and four out of the five exhibitors obtained gold medals.

Most of the machinery in the principal stands was kept running during visiting hours, so that potential buyers could see the various motors, engines, pumps, threshing machines, etc., in operation.

The advantages of this active and actual demonstration of British agricultural machinery as an advertising medium, and as propaganda for British goods in a country where so many potential customers cannot understand catalogues and are unimpressed by an immobile machine in a showroom, cannot be gainsaid, however divided opinions may be as to the efficacy of this particular exhibition as a selling medium.

Two explanations of the fact that several exhibitors of machinery complained either of selling nothing at all or of having only booked orders from existing customers who would have patronized them in any case, have been put forward, and appear to be reasonable. Firstly, that the Exhibition was held at the wrong time of the year for selling agricultural machinery, since by March landowners and cultivators have already purchased their requirements, and are busy getting their cotton planted and their land irrigated; secondly, that it coincided with Ramadan. In view, however, of the fact that, in spite of these adverse conditions, one of the British exhibiting firms sold every machine in their stand, it is sincerely to be hoped that British manufacturers of all the kinds of machinery for which there is an actual or potential market in Egypt will in future make the most of every possible opportunity of having the actual operation of their products demonstrated, whether to government departments or to private consumers.

III.—INDUSTRY AND PRODUCTION.

MINING INDUSTRY.

The industry as a whole was fairly active, and it can now be confirmed that the worst effects of post-war depression have been overcome.

The quarrying industry was increasingly active owing to activity in the building trade and also the demand for new roads. Stone for buildings and road material, sand and gravel for concrete work, gypsum for manufacturing plaster, and clay and other materials for brick-making, were all in great demand and realized good prices. Petroleum and manganese were steady; phosphate showed improvement, and prospects for 1926 are brighter, better prices having been maintained.

More interest is being shown in prospecting than for several years past and this is expected to continue; but although no new sources of petroleum, manganese or phosphate were brought into production during 1925, there is reason to expect increases in output of these minerals in 1926.

The mining industry gave direct employment to a daily average over the whole year of 2,621 Egyptians and 131 Europeans.

Phosphate.—Production increased from 87,869 metric tons in 1924 to 106,808 in 1925, but exports fell from 95,046 metric tons in 1924 to 66,358 in 1925.

Manganese.—Owing to an unfortunate accident to the loading plant, which delayed operations for some months, the amount of manganese mined in 1925 totalled only 80,589 metric tons, as compared with 150,194 in 1924. Exports were similarly affected and fell from 105,580 metric tons in 1924 to 54,172 in 1925.

Petroleum.—Production increased from 163,341 metric tons in 1924 to 179,651 in 1925.

The State Refinery continued to receive and deal with crude petroleum collected as royalty in kind by the Mines Department; the amount due for 1925 being 8,766 metric tons, an increase of 1,131 on the year 1924.

The extent to which Egypt is dependent on imported petroleum products is clear from Appendix VI.

Petroleum Basin at Suez.—The general opinion among oil companies established at Suez is that the inner basin, as at present under construction, will be inadequate for safe manipulation of tankers. The contract for this part of the harbour extension works should have been completed in March, 1926, but work is still in progress.

The extension of Suez Harbour accounts for a further £E.127,700 in the 1926-27 budget, as against £E.157,750 in 1925-26 and £E.201,000 in 1924-25.

IV.—TRANSPORT AND COMMUNICATIONS.

(1) **Shipping.**—Overseas communications with Egypt have been further extended by the inauguration in February, 1926, of weekly services by the Royal Roumanian State Line between Alexandria and Constanza, touching at Piraeus and Constantinople *en route*.

The projected State-aided Egyptian Mercantile Marine has already been referred to on page 9 of this report.

The comparative statistics of the total numbers of steamships and the total tonnage of the arrivals at and departures from all Egyptian ports of the shipping of each nationality during 1925 will be found in Appendix X. It will be seen therefrom that British shipping is a long way ahead of that of any other country: the British proportion of arrivals being nearly 40 per cent. of the total numbers and 42·77 per cent. of the total tonnage, whereas Italy, the nearest competitor, has percentages of 18·5 and 19·7 respectively

(2) **Railways.**—The conversion of the Luxor-Shellal section of the Egyptian State Railways from narrow to broad gauge is making such good progress that it is hoped to have the whole 230 kilometres open for traffic by November 1st, 1926. The effect of this change will be to shorten the duration of the journey from Cairo to Assuan, as it will no longer be necessary to change at Luxor, and eventually to speed up the journey between Cairo and Khartoum.

(3) **Motor Transport.**—A landmark in the motoring history of Egypt was set up by the safe arrival at Cairo at 11.30 a.m. on January 24th, 1926, of the two 24 h.p. "Crossley" cars, in which Major Court-Treath brought his Cape to Cairo Motor Expedition to such a brilliant and triumphant conclusion. The public in general and motorists in particular were most enthusiastic both in their welcome to him and his party, and in their admiration of his wonderful achievement and his tenacity in overcoming obstacles of all kinds. The two Crossley cars also came in for a good deal of attention and afforded silent evidence of the supremacy of British material and its capacity to stand the severest strain that could possibly be put on a motor vehicle of any kind.

The quality of British workmanship was also successfully tested under adverse conditions on three occasions by enterprising owners of "Jowett" 7-17 h.p. cars, who made two journeys to Sinai and one to Siwa during 1925. In the second of the Sinai journeys, which was the occasion of an expedition to a spot never previously visited by car, the "Jowett" was the only one of three cars, the other two being French and American, which successfully survived the test.

Civil Aviation.—The aerial trail blazing flight successfully carried out between December 16th, 1925, and March 7th, 1926, by Mr. Alan Cobham from Cairo to the Cape and back (being part of his London-Capetown-London flight) marks an epoch in the progress of civil aviation in Egypt which will, in the course of the next seven months, become one of the centres of activity of regular civil and commercial air services operated by the Imperial Airways, Limited, between Cairo and Karachi.

V.—SOCIAL QUESTIONS.

Housing.—As the result of the final abrogation on June 30th, 1925, of the House Rent Law, which had been annually renewed since its inception in 1921, the construction of large buildings consisting of shops below and flats above, has been increasingly intensive. In spite, however, of the increased supply of living accommodation thus provided, the demand for new flats appears to be as great as ever. It is understood that this is, to a considerable extent, due to the improvement in the standard of living—thus affording yet another indication of the prosperity of the country—in the case of Egyptians who in former years were content to live in cramped quarters, but now want to set up in large modern buildings.

Town Planning.—An interesting experiment in town-planning is to be seen in operation on the east bank of the Suez Canal opposite Port Said. Having originated merely as a scheme for housing the Canal Company's employees and workmen in close proximity to the general workshops erected there during the war, this undertaking has now grown into the nucleus of a garden city to which the general public are to be admitted, and which is being developed on lines that will make it a self-contained town, known already as Port Fouad. The extent of this new town as at present planned is 1,200,000 square metres, but it is capable of further extension, should the need arise, as the Canal Company's concession in that neighbourhood covers about double that area. It is proposed to divide the town into four sections or categories of houses, viz., (1) villas which may only occupy half the plot on which each is built ; (2) good class houses, shops, flats, etc. ; (3) dwellings of European workmen ; (4) native quarter, which is separated from the other three sections by a screen of trees. So far, the first, third and fourth of these sections show varying degrees of progress, and Port Fouad has at present a population of 1,500 to 1,600, all employees of the Company ; but it is estimated that the area, as at present planned, can accommodate a total population of about 25,000.

The new town already has a police station, and a branch of the Egyptian State Telegraph and Postal Administration will shortly be established. Sports grounds have been provided for, a good beach is available, public gardens have already been laid out, and arrangements have been made for a casino. The water supply drawn from the Company's reservoirs, the electric lighting and the drainage system, of the most modern type, have been installed at great cost. In fact, the Company appear to have laid out the town regardless of cost.

Port Fouad enjoys a *régime* entirely separate from that of Port Said, being administered by the *Domaine Commun* of the Suez Canal Company and the Egyptian Government jointly. There is an agreement with the Egyptian Government for the exploitation of the new town, expenses being divided ; the dis-

posal of the building plots, however, remains entirely under the control of the Domaine Commun. Building plots will be offered for lease in October, 1926, at the following average prices in gold francs per square metre : Category I, 30-50 fcs. ; II, 35-45 fcs. ; III, 20-30 fcs. ; IV, 10-15 fcs. These prices compare very favourably with the prices ruling at Port Said. Easy conditions will be granted, and payment may in certain cases be spread over 15 years subject to interest at the rate of 5 per cent. per annum. Leases, which will be valid for the duration of the Canal Company's concession, will be granted only to persons approved of by the Domaine Commun, and subject to the tenants building within a fixed limit of time, and conforming to certain architectural and structural regulations. Speculation in land or building plots will be impossible, and neither slums nor jerry-built, insanitary houses will be tolerated. In spite of the protests made by the landlords and merchants of Port Said when, early in 1925, it became known that a Government committee had been appointed to study the Canal Company's proposals to build a new town so short a distance away, it is not generally thought that Port Fouad will ever be a serious rival to Port Said, unless the necessity of eastward extension makes itself felt, either spontaneously, or as the result of a development such as the diversion of the Palestine railway from Kantara to Port Said.

APPENDIX I.

SUMMARY OF THE VALUE OF IMPORTS INTO EGYPT, CLASSIFIED BY CATEGORIES.

Categories.		1925. £E.	1924. £E.
1.	Animals and animal food products ..	1,867,752	1,822,800
2.	Hides, skins and leather goods	662,895	565,010
3.	Other animal products	66,102	65,777
4.	Cereals, flour and agricultural produce ..	7,101,278	4,536,725
5.	Colonial produce and general grocery ..	3,168,274	2,940,826
6.	Spirits, beverages and oils	3,558,357	3,271,309
7.	Paper and printed matter	1,031,621	910,846
8.	Wood and coal	4,840,035	4,174,094
9.	Stone, earthenware and glassware ..	1,637,928	1,454,093
10.	Dyestuffs, tanstuffs and colours	397,536	466,926
11.	Chemical and medicinal products and per- fumery	4,204,739	3,411,701
12.	Yarns and textiles	17,965,629	17,118,307
13.	Metals and metalware	8,472,477	6,741,411
14.	Miscellaneous	1,777,266	1,474,974
Total of merchandise imported ..		56,751,889	48,954,799
15.	Tobacco	1,473,006	1,782,119
Total of imports		58,224,895	50,736,918

APPENDIX II.

VALUE OF IMPORTS FROM PRINCIPAL COUNTRIES IN 1924 AND 1925.

Country.	1924. £E.	1925. £E.
United Kingdom	13,993,584	14,660,664
Australia and New Zealand	1,642,156	2,440,328
British India*	1,781,785	2,979,730
British Mediterranean Possessions†	279,415	278,176
British Possessions in Africa	105,566	100,882
Trinidad	37,500	40,017
Canada	29,070	48,293
Other British Possessions in Far East‡	666,439	733,710
British Empire Total	18,535,515	21,281,800
Austria	503,309	675,009
Belgium	1,898,354	2,124,393
Chile	1,389,609	1,850,889
China	892,252	764,654
Czechoslovakia	900,678	1,224,117
France	4,688,718	5,399,682
Germany	2,946,739	3,348,143
Greece	921,825	922,997
Holland	620,602	752,173
Italy	5,230,772	6,129,939
Japan	973,325	1,105,108
Palestine	736,871	799,182
Roumania	998,758	1,344,088
Russia	810,318	794,202
Sweden	576,661	594,084
Switzerland	638,299	639,363
Syria	848,048	966,863
Turkey	827,285	1,111,359
U.S.A.	1,798,542	2,116,238
Total, including other countries	50,736,918	58,224,895

* Including Aden.

† Including Malta, Cyprus and Gibraltar.

‡ Including Ceylon, Straits Settlements, Hong Kong and British Borneo.

VALUE OF COTTON PIECE GOODS IMPORTED IN 1924 AND 1925, DUTIABLE ON BASIS OF WEIGHT PER SQUARE METRE.

From.	Year.	Grey.	Bleached.	Printed.	Dyed in the Yarn.	Dyed in the Piece.	Total.
United Kingdom	1925 1924	£E. 706,532 645,322	£E. 1,867,673 1,751,480*	£E. 1,431,912 1,566,958	£E. 322,008 333,103	£E. 1,075,176 1,272,932	£E. 5,403,301 5,569,795*
Belgium	1925 1924	† †	12,778 1,823	7,363 3,350	185,414 101,849	6,704 16,411	212,259 123,433
France	1925 1924	515 835	7,708 2,028	42,554 78,305	8,428 8,980	22,389 12,891	81,594 103,039
Italy	1925 1924	7,041 10,489	78,982 54,373	363,236 263,496	921,977 872,252	590,394 501,608	1,961,630 1,612,218
Japan	1925 1924	413,609 264,299	1,071 29	53 91	3,344 247	490 156	418,567 264,822
Total, including other countries	1925 1924	1,138,183 924,824	1,979,807 1,814,516	1,897,601 1,940,117	1,556,552 1,291,825	1,722,066 1,825,450	8,294,209 7,796,732

* Corrected figures.

† Not separately distinguished.

NOTE.—This table does not include cotton piece goods returned by weight and linear metres, the imports of which in 1924 and 1925 were as follows :—

82

Cotton piece goods (returned by weight)—

Total imports... ..
Of which from the United Kingdom

1924.
£E.
112,517
90,349

1925.
£E.
107,871
78,922

Cotton piece goods (returned by linear metres)—

Total imports
Of which from the United Kingdom

1924.
£E.
889,416
251,892

1925.
£E.
855,129
246,420

APPENDIX III (B).

QUANTITY OF COTTON PIECE GOODS IMPORTED IN 1924 AND 1925, DUTABLE ON BASIS OF WEIGHT PER SQUARE METRE.

From.	Year.	Grey.	Bleached.	Printed.	Dyed in the Yarn.	Dyed in the Piece.	Total.
United Kingdom	1925 1924	Sq. Metres. 41,275,933 33,308,913	Sq. Metres. 64,106,690 57,087,046	Sq. Metres. 32,723,080 32,102,277	Sq. Metres. 7,454,402 6,872,528	Sq. Metres. 22,145,434 24,143,562	Sq. Metres. 167,705,539 153,514,326
Belgium	1925 1924	† †	306,633 44,523	141,797 59,323	3,782,414 1,874,808	121,286 262,262	4,352,130 2,240,916
France	1925 1924	8,476 16,612	186,831 55,688	871,440 1,379,474*	197,111 192,949	417,314 264,549	1,681,172 1,909,272
Italy	1925 1924	276,012 354,941	2,121,379 1,273,520	7,906,136 5,240,014	19,856,668 14,639,379	11,243,127 8,472,349	41,403,322 29,980,203
Japan	1925 1924	13,315,169 7,871,638	30,673 757	1,245 2,036	77,136 5,669	9,341 3,147	13,433,564 7,883,247
Total, including other countries	1925 1924	55,240,318 41,654,630	67,084,390 58,586,253	42,658,259 39,233,865	33,878,137 24,842,155	34,432,442 33,654,906	233,293,546 197,971,809

* Corrected figure.

† Not separately distinguished.

NOTE.—This table does not include cotton piece goods returned by weight and linear metres, imports of which were as follows:—

Cotton piece goods (returned by weight)—	
Total imports...	1924. 650,176 kilogs.
Of which from the United Kingdom	1925. 635,609 kilogs.
Cotton piece goods (returned by linear metres)	508,621 ..

PRINCIPAL IMPORTS OF IRON AND STEEL GOODS IN 1924 AND 1925, BY COUNTRIES OF ORIGIN.

Item.	Year.	United Kingdom.	Belgium.	France.	Germany.	Total from all Countries.
Angles and tees	1925 1924	£E. 2,154 4,621	£E. 10,795 6,251	£E. —* —*	£E. 568 612	£E. 13,577 12,428
Axles, wheels and springs	1925 1924	13,896 27,523	8,490 7,313	3,964 4,018	20,817 12,722	48,713 60,655
Bars and billets	1925 1924	16,445 12,014	233,623 250,088	10,710 8,504	13,003 20,991	274,461 292,613
Bedsteads and parts (including brass)	1925 1924	138,272 160,219	—* —*	5,915 6,224	48,439 28,197	208,216† 212,863
Cables, chains, anchors and grapnels	1925 1924	4,699 3,508	1,193 434	4,326 9,152	3,090 316	13,418 13,452
Galvanized sheets	1925 1924	28,548 24,951	27,517 22,205	790 2,347	4,830 4,309	62,401 54,821
Girders and joists	1925 1924	1,488 818	96,360 106,449	30,955 6,977	2,081 2,137	130,884 116,427
Hoops and strips	1925 1924	82,377 127,632	16,319 6,146	—* —*	1,283 6,135	99,991 140,219

* Not separately distinguished.

† Including U.S.A., £E.6,351 in 1925 and £E.5,393 in 1924. Austria, £E.8,277 in 1925 and £E.11,077 in 1924.

APPENDIX IV—*cont.*

Item.	Year.	United Kingdom.	Belgium.	France.	Germany.	Total from all Countries.
Pipes and fittings (wrought)	1925	£E. 94,338	£E. 19,224	£E. 33,248	£E. 119,169	£E. 270,407†
	1924	74,189	23,978	24,614	79,996	228,433
Rails and fittings (including sleepers)	1925	29,048	39,457	12,870	68,282	149,673
	1924	106,129	33,465	4,219	9,814	153,627
Rivets, bolts, nuts and washers	1925	8,730	10,753	6,030	7,806	37,856
	1924	12,688	10,253	6,115	5,704	37,483
Sheets and plates (not galvanized)	1925	7,715	78,976	7,248	7,712	101,661
	1924	14,057	55,656	5,375	10,456	87,722
Wire	1925	6,127	2,564	3,019	8,199	20,570
	1924	8,166	4,390	2,016	7,305	22,611
Wire rope	1925	7,061	111	75	2,567	10,128
	1924	10,840	499	326	3,389	15,782
Constructional iron and steel	1925	28,872	6,219	17,926	6,753	73,178§
	1924	24,635	40,095	7,320	2,999	94,452

† Including Holland, £E.1,991 in 1925 and £E.6,874 in 1924, U.S.A., £E.1,803 in 1925 and £E.14,245 in 1924.

§ Including U.S.A., £E.5,236 in 1925 and £E.6,160 in 1924.

APPENDIX V.

IMPORTS OF COAL, TEA, AND WHEAT FLOUR IN 1924 AND 1925.

From.	1924.		1925.	
<i>Coal.</i>	Tons.	£E.	Tons.	£E.
United Kingdom ..	952,832	1,609,005	1,175,648	1,747,928
U.S.A. ..	7,234	13,195	24,074	34,453
Other countries ..	2,731	4,828	35,160	57,727
Total ..	962,797	1,627,028	1,234,882	1,840,108
<i>Tea</i>	Kgs.	£E.	Kgs.	£E.
United Kingdom ..	87,594	18,298	127,318	28,459
British India ..	790,745	93,930	1,009,174	114,127
Ceylon ..	1,870,579	223,782	2,252,281	263,554
China ..	972,782	74,624	896,509	69,404
Other countries ..	19,081	2,625	130,288	13,282
Total ..	3,740,581	413,259	4,415,570	488,826
<i>Wheat Flour.</i>	M. tons.	£E.	M. tons.	£E.
United Kingdom ..	5,278	76,203	7,535	126,732
Australia ..	103,772	1,463,764	116,742	2,035,184
British India ..	9,729	142,606	17,419	310,739
Canada ..	1,340	20,646	1,921	33,945
France..	10,022	129,584	15,364	250,576
Italy ..	4,288	52,449	2,742	42,206
Roumania ..	1,809	31,409	226	4,168
U.S.A. ..	25,682	386,945	32,027	550,393
Total including other countries ..	162,062	2,305,651	198,575	3,435,346

APPENDIX VI.
STATISTICS OF IMPORTS INTO EGYPT DURING 1925 OF VARIOUS OIL PRODUCTS.

Country.	Kerosene.		Benzine.		Mazout (Fuel).		Mineral Lubricating Oils and Greases.		Solar Oil.	
	M. tons.	£E.	M. tons.	£E.	M. tons.	£E.	Kilogs.	£E.	Kilogs.	£E.
Delivered from Suez Refinery (1)	12,634	58,144	(2)	15,948	50,032	172,334	—	—	9,873,343	43,651
Imported direct from:—										
Roumania { M.T.	71,806	318,322	M.T.	13,887	—	—	45,033	683	—	—
Russia .. { Cases	2,350	582	Cases	1	—	—	—	—	—	—
Russia .. { M.T.	133,018	607,584	M.T.	—	72	254	9,816,353	176,824	—	—
U.S.A. .. { Cases	11,105	69,809	Cases	463	—	—	—	—	—	—
Others .. { Cases	4,589	1,336	Do.	10,997	9,382	32,858	28,196	761	—	—
Dutch Possessions in Far East ..	2,122	543		91	—	—	—	—	—	—
Mexico ..	—	—	—	—	4	13	503,016	7,000	—	—
Persia ..	—	—	—	—	14,348	51,639	—	—	—	—
United Kingdom	—	—	—	—	25,385	87,957	—	—	—	—
Straits Settlements	—	—	—	—	—	—	999,100	25,141	—	—
British Borneo	—	—	—	—	—	—	1,900,361	35,044	—	—
Belgium	—	—	—	—	—	—	1,596,625	22,367	—	—
France ..	—	—	—	—	—	—	367,207	6,559	—	—
Germany	—	—	—	—	—	—	379,944	7,298	—	—
Switzerland	—	—	—	—	—	—	399,156	6,719	—	—
	—	—	—	—	—	—	862	35	—	—

(1) Persia.

(2) Mostly Persia.

APPENDIX VII.

SUMMARY OF THE VALUE OF EXPORTS, CLASSIFIED BY CATEGORIES.

Categories.	1925 £E.	1924 £E.
1. Animals and animal food products ..	526,926	618,847
2. Hides, skins and leather goods ..	247,768	307,982
3. Other animal products ..	68,116	85,791
4. Cereals, flour and agricultural produce ..	4,795,344	5,760,728
5. Colonial produce and general grocery ..	204,129	543,213
6. Spirits, beverages and oils ..	394,175	479,102
7. Paper and printed matter ..	74,654	70,956
8. Wood and coal ..	24,054	25,188
9. Stone, earthenware and glassware ..	5,945	5,144
10. Dyestuffs, tanstuffs and colours ..	18,274	26,483
11. Chemical and medicinal products and perfumery ..	154,993	216,892
12. Yarns and textiles* ..	52,024,761	56,864,736
13. Metals and metalware ..	224,785	333,934
14. Miscellaneous ..	51,505	62,898
Total of merchandise exported ..	58,815,429	65,401,894
15. Cigarettes ..	383,233	332,041
Total of exports ..	59,198,662	65,733,935

* Mostly raw cotton.

APPENDIX VIII.

VALUE OF EXPORTS TO PRINCIPAL COUNTRIES 1924 AND 1925.

Country.	1924 £E.	1925 £E.
United Kingdom	31,955,625	26,167,972
Australia and New Zealand ..	39,961	29,144
British India*	216,315	60,390
British Mediterranean Possessions†	55,015	46,540
British Possessions in Africa ..	11,789	15,828
Canada	8,154	8,095
Other British Possessions in Far East‡	46,795	59,648
British Empire Total	32,333,654	26,387,617
Austria	204,554	226,667
Belgium	284,890	223,049
Czechoslovakia	1,119,004	1,057,207
France	8,614,073	7,461,940
Germany	3,971,656	3,545,752
Greece	404,928	298,802
Holland	433,294	341,163
Italy	4,069,082	3,613,795
Japan	1,509,480	2,166,888
Palestine	376,491	375,180
Spain	1,481,312	1,177,821
Switzerland	2,299,474	2,263,056
Syria	332,702	285,796
Turkey	142,183	132,100
U.S.A.	7,085,911	8,411,246
Total including other countries	65,733,935	59,198,662

* Including Aden.

† Including Malta, Cyprus and Gibraltar.

‡ Including Ceylon, Straits Settlements, Hong Kong and British Borneo.

APPENDIX IX.

EXPORTS OF RAW COTTON DURING THE CALENDAR YEARS 1924 AND 1925.

Destination.	1924.		1925.	
	Cantars.	£E.	Cantars.	£E.
United Kingdom ..	3,469,105	27,043,072	2,758,861	22,191,594
Czechoslovakia ..	141,845	1,116,999	128,725	1,056,064
France	1,054,139*	8,249,256	873,521	7,122,643
Germany	390,848	3,041,718	367,978	3,119,769
Italy	475,381	3,737,618	403,377	3,272,651
Japan	192,385	1,477,941	278,693	2,143,967
Spain	179,581	1,410,810	140,818	1,113,937
Switzerland ..	295,578	2,278,767	281,971	2,243,488
U.S.A.	896,879	6,950,018	1,038,691	8,122,918
Total (including other countries)	7,253,908	56,554,499	6,423,939	51,659,806
Average price per cantar	\$38.98	—	\$40.20	—

* Corrected figure.

APPENDIX X.

SHIPPING.

TOTAL ARRIVALS AT AND DEPARTURES FROM ALL EGYPTIAN PORTS DURING THE YEAR 1925, AND CARGO AND PASSENGERS EMBARKED AND DISEMBARKED.

Nationality of Vessels.	Arrivals.				Departures.			
	No. of Vessels.	Net Registered Tonnage.	Tons of Cargo Landed.	Passengers Landed.	No. of Vessels.	Net Registered Tonnage.	Tons of Cargo Shipped.	Passengers Embarked.
British..	1,331	2,786,457	2,308,362	19,408	1,328	2,773,996	772,639	17,636
Egyptian	271	151,357	78,425	1,437	269	151,488	35,920	1,557
American	77	321,486	102,976	176	77	321,308	37,119	549
Belgian	44	86,471	120,208	8	43	81,555	34,887	102
Dutch	56	128,307	117,014	23	56	127,870	54,365	25
French ..	230	944,453	152,988	14,306	236	950,789	58,234	12,227
German	146	264,235	237,187	410	148	268,741	99,143	603
Greek ..	338	295,114	303,311	7,669	340	302,112	103,652	7,593
Italian ..	617	1,333,278	594,921	16,954	620	1,353,379	192,107	19,716
Norwegian	30	50,795	73,911	4	27	45,615	5,582	3
Others ..	197	384,423	406,875	213	197	380,932	31,195	295
Total ..	3,337	6,746,376	4,496,178	60,608	3,341	6,757,785	1,424,843	60,306

APPENDIX XI.

NUMBERS OF MOTOR VEHICLES REGISTERED IN EGYPT, YEAR ENDING 31ST MARCH, 1926.

	Cairo and Provinces.	Alexandria.	Port Said District.
Motor cars	5,627	2,208	107
Motor lorries and vans ..	938	251	23
Light vans	—	109	—
Motor cycles	1,208	731	138
Motor buses	817	98	19
Taxis	2,636	701	83

NOTE.—As far as Cairo and Provinces are concerned, it is understood that considerable numbers of motor vehicles of all descriptions were not re-registered during the year ended 31st March, 1926. The numbers given are actual new licences and renewals.

APPENDIX XII.

SUMMARY NOTE ON CUSTOMS DUTY AND DUES.

The following are the only changes required to be made in the Summary Note on Customs Duty and Dues which formed Appendix XV of the Report dated June, 1925, to bring it up to date :—

Under *Import Duty*, paragraph C, "Tobacco," should now read :—

"C.—Tobacco pays a specific duty per kilogram, as follows :—

	General Tariff. £E. m/ms.	Special Tariff. £E. m/ms.
(a) Leaf tobacco	1 000	— 800
(b) Leaf tobacco stripped of its petiole or midrib	1 100	— 900
(c) Manufactured tobacco such as cut and pressed tobacco, snuff and cigarettes	1 200	1 000
(d) Cigars of all kinds and from all sources	£E.1 000."	

Under *Excise Duties*, paragraph 2, "Petroleum," should now read :—

"2. *Petroleum*.—Products derived from Egyptian crude oil are subject to the following Excise duties :—

Benzine, 15 per cent. ; lubricating oils, 11 per cent. *ad valorem*.

Mazout (fuel oil) and all other products except kerosene, 4 per cent. *ad valorem*.

Oil burnt in the refinery is also liable to Excise duty."

APPENDIX XIII.

DECREE

GOVERNING THE REGULATION OF RADIO ELECTRIC COMMUNICATIONS.

WE, FOUAD I, KING OF EGYPT.

In consideration of Law No. 4 of 1906 concerning Wireless Telegraphy ;

and whereas in view of the progress and development of radio-electric communications it has become necessary to regulate the matter ; and considering that there is cause to take the necessary measures for ensuring the application in Egypt of the International Radiotelegraphic Convention of July 5th, 1912, and of the International Service Regulations annexed to the International Telegraph Convention of St. Petersburg, and revised at Paris on October 28th, 1925 ;

and considering the deliberation of the Assembly General of the Mixed Court of Appeal on the date of May 10th, 1926, held in conformity with the Decree of January 31st, 1889 ;

on the proposition of Our Minister of Communications and on the advice of Our Council of Ministers.

WE DECREE

Article 1.

No installation whatsoever of radio-electric apparatus employed for the emission or reception of correspondence, signals, images or sounds, by means of wireless etheric waves, or employed for the emission or reception of energy by means of etheric wireless waves, shall be established or employed, except by the Government or with its authorisation under the conditions set forth in the present Decree.

Article 2.

No radio-electric installation employed for the emission of correspondence, signals, images, sounds or energy, shall be established or employed without authorisation accorded in virtue of a decision of the Council of Ministers who will determine the conditions.

The same shall apply to every installation employed for the reception of private correspondence.

Article 3.

Radio-electric installations intended for the reception of generally diffused signals, images or sounds (Broadcasting) may be established under licence issued by the Minister of Communications subject to the conditions fixed by arrêté of the Minister.

Article 4.

Radio-electric installations intended for the reception of correspondence for multiple destinations may not be established except by special authorisation of the Minister of Communications who shall determine the conditions.

Article 5.

Radio-electric installations for the emission or reception, intended solely for technical testing, for scientific experiments, or for instructional purposes, may be established by authorisation issued by the Minister of Communications, subject to the conditions fixed by arrêté of the Minister.

Article 6.

Radio-electric stations for emission or reception may be employed on board ships and aircraft registered in Egypt, under licences issued by the Minister of Communications, subject to conditions fixed by arrêté of the Minister.

Article 7.

The issue and renewal of authorisations and permits mentioned in Articles 3, 5 and 6 of the present Decree shall be subject to the payment of annual taxes the amount of which will be fixed by *arrêté* of the Minister of Communications according to the importance and the nature of the installation, save that the tax shall in no case exceed four Egyptian pounds per annum.

Article 8.

Every manufacturer of apparatus for radio-electric communications and of electronic tubes, as well as importers and other persons trading in such apparatus and tubes, are required to make a declaration on the form and in the manner prescribed by *arrêté* of the Minister of Communications.

Such persons shall also keep registers in which shall be indicated the nature and the quantity of apparatus and electronic tubes of which they dispose, as well as the name and address of the purchaser or transferee in accordance with the conditions of the *arrêté* which shall be issued by the Minister of Communications.

These registers shall be open to inspection by the officials of the Telegraph and Telephone Administration designated in Article 16 of the present Decree.

Article 9.

No person shall be entrusted with the working of one of the radio-electric installations specified in Article 2 or with the working of a radio-electric station on board a ship or aircraft unless he be furnished with an operator's certificate issued by the Telegraph and Telephone Administration after an examination, the conditions of which shall be established by *arrêté* of the Minister of Communications, or with a certificate issued by one of the Powers signatory to the International Radiotelegraphic Convention of London, dated July the 5th, 1912.

Article 10.

Merchant ships in Egyptian ports and aircraft landing in Egyptian territory are prohibited from using their radio-electric installations for the emission of signals, correspondence, or for any form of communication whatsoever.

Article 11.

It is prohibited to employ any radio-electric installation whatsoever for any purpose other than that provided for in the authorisation or licence.

If an emission which has not come within the categories of those which the holder of the authorisation or permit is entitled to receive, is involuntarily received, it shall in no case be written or communicated to others or made use of in any way whatsoever.

Article 12.

It is equally prohibited to emit intentionally or to attempt to emit—

- (a) False signals of distress.
- (b) Signals leading into error.
- (c) Signals, messages or images of any kind subversive of public or social order or public security or to good morals.

Article 13.

The State incurs no sort of responsibility in respect of the installations which it has authorised.

The holders of these authorisations will exploit the installations entirely at their own risk and peril and shall alone be responsible to third parties for all damage and injury which may result therefrom.

Article 14.

If at any time it becomes evident to the Telegraph and Telephone Administration that a radio-electric installation established in Egypt

interferes with the working of another radio-electric installation the owner of the installation causing the interference shall carry out such modifications as may be prescribed by the said Administration in order to terminate interference which modifications shall be effected within the time specified for this purpose.

Article 15.

Without prejudice to liability to the more severe dispositions of the Penal Code, any infraction whatsoever of the dispositions of the present Decree or of the conditions of the authorisation, or of the licence, shall be punished by imprisonment not exceeding seven days and by a fine not exceeding 100 piastres, or by one of these penalties only.

The Tribunal may, in addition, order—

- (a) the confiscation of the apparatus concerned ;
- (b) the withdrawal of the authorisation or licence ;
- (c) the withdrawal of the operator's certificate for a period not exceeding six months ;
- (d) the closing for a period not exceeding six months of the factory or shop concerned in a contravention of the dispositions of Article 8.

In the case of the repetition of the contravention within 12 months, the Tribunal may order the final withdrawal of the operator's licence or the final closing of the factory or shop.

Article 16.

The procès verbaux of contravention of the dispositions of the present Decree shall be drawn up by the Inspectors or Assistant Inspectors of the State Telegraph and Telephone Administration, charged with the wireless telegraph and telephone service ; by the Inspectors or Officers of aerial navigation ; as well as by every other official who shall be nominated for this purpose by arrêté of the Minister of Communications. The said officials shall have in this matter the quantity of officers of the Judicial Police.

In the case of contraventions committed on board foreign ships in Egyptian territorial waters the procès verbaux will be communicated to the Powers to which ships are subject, in accordance with Articles 9 and 12 of the Service Regulations annexed to the International Radiotelegraphic Convention of London, dated July 5th, 1912.

The same shall apply in the case of contraventions committed on foreign aircraft flying over or landing in Egyptian territory.

Article 17.

The officials referred to in the preceding Article shall have power to visit and examine all installations, all radio-electric apparatus, all electronic tubes in any premises whatever or in radio-electric stations on land, on board ships in Egyptian territorial waters or in aircraft landing in Egyptian territory, or which are warehouses or exposed for sale in shops, depots, or other premises, in order to ascertain that the measures prescribed by the present Decree and the conditions of the authorisations or licences are followed and applied.

They shall have power to seize the said apparatus, electronic tubes and installations if such have been installed or found to be in contravention of the present Decree, or of the conditions of the authorisations or licences, unless such contraventions shall have been established or found on board foreign ships or aircraft.

If the premises which the said officials require to enter are occupied by a foreign subject to a capitulatory Power, they shall advise the Consulate which is concerned of the day and hour fixed for the visit, in order that the Consul, if he so desires, may send a delegate to accompany the official on his visit ; which visit in any case shall take place at the time determined upon.

Article 18.

In case of war or grave events endangering the security of the State, the Council of Ministers may make a decision to submit the usage of the authorisations and licences accorded in virtue of the present Decree to special conditions, or to suspend them entirely ; to order the removal of all apparatus and installations, or their taking over by any service of the State which may be judged necessary.

Article 19.

The dispositions of the present Decree apply to all apparatus, installations and stations which already exist, in regard to which the owners and holders shall regularise their position within the delay of thirty days prescribed for its coming into force, in default of which they shall be subject to the penalties and sanctions of the present Decree.

Article 20.

Our Minister of Communications is charged with the execution of the present Decree which shall come into force immediately upon its promulgation in the Official Journal.

APPENDIX XIV.

FLUCTUATIONS OF PRINCIPAL IMPORTS FROM THE UNITED KINGDOM IN 1924 AND 1925.

Item.	United Kingdom.		Chief Competitor.*	Total for all Countries.	Remarks.
	1924.	1925.			
Ammonium sulphate	£E. 40,899	£E. 51,913	Unspecified†	£E. 121,220	
Boots and shoes (leather)	59,485	71,539	47,072 F.	210,356	
Carpets and floor rugs	107,928	115,178	103,153 P.	341,562	
Cement	32,554	42,957	158,026 Y.	427,049	
Cigarettes	129,370	99,175	—	101,716	
Coal	1,609,005	1,747,928	34,453 U.	1,840,108	
Coal tar pitch	30,257	25,885	—	29,053	
Coke	40,150	9,218	Unspecified	24,706	See Appendix V.
Cotton—					
Piece goods||	5,569,395	5,403,301	1,961,630 I.	8,294,209	See Appendix III.
Piece goods¶	342,241	325,342	435,219 I.	963,000	Total, 1924, £1,001,933.
Handkerchiefs	22,865	28,413	25,069 I.	75,387	
Mosquito net	131,490	99,323	46,043 F.	149,954	
Thread**	178,378	190,430	37,567 B.	273,974	Total, 1924, £250,649.
Fuel (patent)	60,882	47,909	Unspecified	86,898	Including discs and parts.
Gramophones	14,640	17,349	37,104 G.	65,232	1924 total, £1,543,588. See Appendix IV.
Iron or steel manufactures, various	611,990†	469,770	551,601 B.	1,515,134	Total, 1924, £142,398.
Linen piece goods§	89,174	73,493	38,357 B.	139,716	
Linseed oil	72,453	81,341	23,067 H.	107,933	
Lubricating oils and greases, mineral	20,539	25,141	176,824 U.	288,431	
Machine belting, woven	20,834	29,196	21,579 G.	59,890	
Machine belting, leather	44,847	57,831	7,623 F.	75,935	
Machinery—					[plements.
Agricultural	14,724	25,402	94,315 U.	131,098	Including spares and im-
Electrical	28,788	30,526	51,824 F.	165,354	Including spares.
			28,628 G.		

Pumps, power ..	219,837	371,488	{ 122,589	G.	649,675
Sewing machines ..	25,936	52,196	20,821	F.	111,136
Unclassified ..	79,962	74,960	5,748	G.	82,821
Medicinal preparations ..	209,738	256,177	209,495	F.	785,276
Metals and metalware—	85,802	89,152	126,630	F.	325,298
Copper and brass sheets ..	390,581	244,500	81,043	G.	414,696
Iron and steel, miscellaneous ..	34,698	45,855	24,549	G.	113,473
Tin ingots, bars and slabs ..	72,932	86,392	4,067	F.	93,773
Tinplate, all kinds ..	163,045	183,703	Unspecified		282,355
Motor vehicles and chassis ..	31,217	73,618	{ 299,744	U.	764,423
Spare parts for motors, motorcars, cycles, etc.	31,268	40,354	220,485	F.	202,075
Printed matter ..	98,158	88,930	90,170	U.	210,661
Scientific and surgical instruments ..	38,266	55,164	56,622	F.	137,413
Soap, household ..	109,700	92,697	36,751	F.	523,818
Soap, toilet ..	11,996	14,935	276,059	Pal.	51,282
Telegraph and telephone materials ..	36,038	92,429	7,327	F.	121,227
Tyres, rubber ..	20,407	24,102	22,368	Sw.	174,721
Woolen textiles—			88,389	F.	
Blankets, coverlets ..	23,804	23,645	62,898	T.	115,557
Cloths, woollen and worsted ..	430,503	404,115	{ 160,455	I.	913,773
Clothing, ready-made ..	33,390	26,175	140,833	F.	130,070
Hosiery ..	87,024	82,918	64,590	F.	185,119
Mixed, woollens and worsteds ..	112,042	112,576	41,193	F.	386,378
Yarn ..	66,357	73,218	117,679	I.	81,399
			4,335	F.	
Total, 1924, £21'2,424					
All kinds.					

* The chief competitors are indicated thus :—"A," Austria; "B," Belgium; "F," France; "G," Germany; "H," Holland; "I," Italy; "J," Japan; "P," Persia; "Pal," Palestine; "S," Switzerland; "Sw," Sweden; "T," Tunis; "U," U.S.A.; "Y," Yugoslavia.

† Unclassified in Customs statistics.

‡ The chief competitor in 1924 was Belgium, £E.567,222.

§ The chief competitor in 1924 was Belgium, £E.23,848.

|| and ¶ were combined in the totals given in Appendix IV to the report for 1924.

¶¶ "Unclassified cotton piece goods." The chief competitor in 1924 was Italy, £E.358,009.

** The chief competitor in 1924 was Belgium, £E.33,142.

APPENDIX XV.

QUOTATIONS OF REPRESENTATIVE EGYPTIAN SECURITIES.

Name.	1925. End of May.	1926. End of May.
Egyptian Unified 4 per cent.	£81	£82½
Egyptian Priv. 3½ per cent.	£70½	£72
Egyptian Tribute 4 per cent. (on 22nd June)	£73	£85·1/8
Egyptian Tribute 3½ per cent. (on 15th June)	£67½	£77·11/16
Agricultural Bank, Ordinary shares	£7·7/8	£7½
Credit Foncier Egyptien, Ordinary shares ..	Fcs. 909	Fcs. 937
Land Bank of Egypt, Ordinary shares	£13·23/32	£12·9/16
National Bank of Egypt, Ordinary shares ..	£30·25/32	£35·3/4
Alexandria Water Co., Ltd.	£13	£14·5/32
Behera Company, Ordinary shares	£13	£14·3/8
Union Fonciere d'Egypte	£3·19/32	£3½
S.A. des Immeubles d'Egypte, Ordinary shares	£10·5/16	£17·5/32
Grands Hotels d'Egypte, shares	£18*	£15·5/32
Soc. Gen. de Pressage, etc., shares	£19	£13·3/16
Soc. des Presses Libres Egypt, shares	£12	£10½
Eg. Bonded Warehouses, shares	£12·1/16	£12·3/16
Port Said Salt Association, shares	83s. 9d.	76s. 4½d.
Aboukir Co., Ltd., shares	19s. 10½d.	22s. 9d.
New Egyptian Co., Ltd.	36s. 9d.	35s. 6d.
Suez Canal 5 per cent. debentures	Fcs. 295	Fcs. 483½
Suez Canal 3 per cent. second series	Fcs. 209	Fcs. 352
Cairo Electric Railway and Heliopolis Co., debentures	341	472½
Chemins de Fer Basse Egypte 5 per cent. debentures	310	424

* Including rights in Egyptian Hotels.

REPORTS by H.M. Trade Commissioners, Commercial Diplomatic and Consular Officers on commercial and financial conditions in the following countries, issued, or in course of preparation, by the Department of Overseas Trade.

A.—During the year 1925.

Angola	1s. 6d. (1s. 7d.)	Hungary	1s. 6d. (1s. 7d.)
Australia	2s. 0d. (2s. 1d.)	India	5s. 6d. (5s. 9d.)
Austria	1s. 6d. (1s. 7d.)	Italy	4s. 0d. (4s. 3d.)
Belgium	3s. 6d. (3s. 8d.)	Latvia ... ..	... 9d. (9½d.)
Brazil	2s. 6d. (2s. 7d.)	Morocco, Algeria, Tunis	
British West Indies ...	2s. 0d. (2s. 1d.)	and Cyrenaica ...	3s. 0d. (3s. 2d.)
Chile	3s. 0d. (3s. 1½d.)	Netherlands	2s. 6d. (2s. 7d.)
China	2s. 0d. (2s. 1d.)	New Zealand	2s. 0d. (2s. 1d.)
Colombia	2s. 0d. (2s. 1d.)	Norway	2s. 0d. (2s. 1d.)
Czecho Slovakia	1s. 6d. (1s. 7d.)	Persia	1s. 6d. (1s. 7d.)
Denmark	1s. 6d. (1s. 7d.)	Poland	1s. 6d. (1s. 7d.)
Dominican Republic and		Siam	1s. 6d. (1s. 7d.)
Hayti	2s. 0d. (2s. 1d.)	Spain	2s. 6d. (2s. 7d.)
Egypt	2s. 0d. (2s. 1d.)	Sweden	1s. 6d. (1s. 7d.)
Estonia	1s. 0d. (1s. 0½d.)	Switzerland	2s. 0d. (2s. 1d.)
Finland	2s. 0d. (2s. 1d.)	Syria	1s. 0d. (1s. 0½d.)
France	8s. 0d. (8s. 3d.)	Turkey	1s. 6d. (1s. 7d.)
Germany	5s. 0d. (5s. 2d.)	Yugo-Slavia	1s. 0d. (1s. 7d.)
Greece	2s. 0d. (2s. 1d.)		

B.—During the year 1926.

Argentina	2s. 6d. (2s. 7d.)	Guatemala, Honduras,	
Belgian Congo	1s. 6d. (1s. 7d.)	El Salvador	2s. 0d. (2s. 1d.)
Belgium	4s. 0d. (4s. 2d.)	Hungary	1s. 6d. (1s. 7d.)
Bolivia	6d. (6½d.)	Italy	3s. 6d. (3s. 8d.)
Brazil	2s. 0d. (2s. 1d.)	Japan	(In preparation.)
Bulgaria	1s. 0d. (1s. 0½d.)	Netherlands	3s. 0d. (3s. 2d.)
Chile	2s. 6d. (2s. 7d.)	Newfoundland	2s. 3d. (2s. 4d.)
China	(In preparation.)	Panama and Costa Rica	1s. 0d. (1s. 0½d.)
Cuba	1s. 0d. (1s. 0½d.)	Paraguay	1s. 0d. (1s. 0½d.)
Dominican Republic and		Philippine Islands ...	9d. (9½d.)
Hayti	1s. 6d. (1s. 7d.)	Portugal	1s. 6d. (1s. 7d.)
East Africa	1s. 6d. (1s. 7d.)	Roumania	2s. 0d. (2s. 1d.)
Ecuador	1s. 0d. (1s. 0½d.)	Spain	2s. 6d. (2s. 7d.)
Egypt	(See Cover)	United States of America	3s. 6d. (3s. 8d.)
France	(In preparation.)	Uruguay	9d. (9½d.)
Germany	4s. 6d. (4s. 9d.)	Venezuela	1s. 0d. (1s. 0½d.)

Annual subscription for the above reports, including postage to any part of the world, £3.

Survey of Overseas Markets, based on information prepared by the Department of Overseas Trade and the Board of Trade for the Committee on Industry and Trade: with an introduction by the Committee. 1925. Price, 6s. net (6s. 9d.).

(The above publications can be obtained from the addresses given on the title-page of this Report. All prices are net, and those in parentheses include postage.)